OASIS Alert

Get the Background on the M1024 Changes

When the **Centers for Medicare & Medicaid Services** released the 2013 home health prospective payment system proposed rule, plans to change the grouper logic behind M1024 drew some of the most passionate comments. Much to the home health industry's disappointment, CMS announced plans to move forward with the changes in the final rule published in the Nov. 8 Federal Register.

For example: "CMS proposes changes to allow some of the conditions currently reported in the additional diagnosis fields (diabetes, skin and neurological codes) to be reported in the secondary diagnosis fields. However, the rule provides no indication of the status of reporting for other conditions that would no longer be allowed in the additional diagnosis field, examples of which include cancer, gastrointestinal disease and heart disease," **MedPAC** chairman **Glenn M. Hackbarth**, wrote in comments on the proposed rule.

"CMS needs to better substantiate its claim that the non-fracture codes are over-reported in the additional diagnosis fields, and that, when necessary, these conditions can be reported in the primary and secondary diagnosis fields," Hackbarth urged.

Alas, "even having MedPAC on our side did not help with the M1024 issue, laments **Judy Adams, RN, BSN, HCS-D, HCS-O,** with **Adams Home Care Consulting** in Chapel Hill, N.C.

CMS Blames Misinterpretation of Attachment D

In explaining why the PPS grouper logic will change, CMS points back to the December 2008 release of Attachment D: Selection and Assignment of OASIS Diagnoses. "This guidance was designed to ensure that providers limited the number of diagnoses assigned to the payment diagnosis field (M1024 on OASIS-C). In addition, Attachment D reminded HHA clinicians/coders to comply with ICD-9-CM coding guidelines when assigning primary and secondary diagnoses to the OASIS items (M1020 and M1022 on OASIS-C), respectively," CMS says in the final rule.

However, in analysis preceding the 2013 PPS rule, CMS determined that many HHAs do not comply with the guidelines Attachment D attempted to outline. "Specifically, the analysis demonstrated that HHAs are not limiting the number of diagnoses assigned to the payment diagnosis field and are also reporting resolved conditions in that field," CMS said. As a result, CMS is making what some consider extreme changes to the rules for completing this item (see related story on page 4).

The changes are due in part to CMS preparations for ICD-10. Making the "grouper enhancements" will put CMS in a "favorable position to eventually retire the payment diagnosis field when we move to ICD-10 and there is no longer a need for the payment diagnosis field for the reporting of fracture codes," it says in the 2012 PPS final rule.

But adjusting to these changes won't be easy for HHAs, industry experts predict. "The revision of HH PPS Grouper logic for Diabetes, Skin 1, and Neuro 1 diagnosis codes is going to be very confusing to agencies," says **Nick Dobrzelecki**, chief executive officer of **Daymarck Home Healthcare Coding** in Bismarck, N.D. "CMS should have left how M1024 is completed the same until ICD-10 is implemented at which time M1024 will go away."