

## OASIS Alert

### Industry Notes

The Centers for Medicare & Medicaid Services proposes to cut home health agency prospective payment system rates by 3.35 percent starting in January 2012, according to the PPS proposed rule put on display at the Federal Register July 5. The cut would translate to an estimated decrease of \$640 million compared to HHA payments in 2011, CMS says in a release.

CMS proposes a 5.06 percent reduction for so-called "casemix creep" -- upcoding by HHAs. That combines with a 1.5 percent inflation update, which is reduced by 1 percent. CMS also wants to remove two hypertension codes from the case-mix system -- 401.1 (Benign Essential Hypertension) and 401.9 (Unspecified Essential Hypertension), it says in the rule scheduled for publication in the July 12 Federal Register. "Beginning with the HH PPS refinements in 2008, hypertension was included in the HH PPS system because data suggested it was associated with elevated resource use," CMS explains in the rule. But then "our analysis showed a large increase in the reporting of codes 401.1 and 401.9 in 2008." CMS suspected that an increase in reporting of these codes "was a key driver of the high 2008 growth in nominal case-mix," it says in the rule. So it proposed removing these codes last year for 2011. But the agency withdrew the proposal when commenters said it needed more data to support the move.

Now CMS has conducted additional studies and says increased reporting of the codes continued to occur in 2009. Thus, it has re-proposed the removal of the codes for 2012.

In the proposed rule, CMS says it also wants to lower payments for high therapy episodes and recalibrate the PPS case-mix weights. CMS aims to "decrease incentives for upcoding," **Jonathan Blum**, CMS Deputy Administrator, says in the release.

The rule is available via a link at [www.cms.gov/center/hha.asp](http://www.cms.gov/center/hha.asp). Comments on the proposed rule are due Sept. 6.

The Centers for Medicare & Medicaid Services has posted two new OASIS-C resource documents in the Quality Measures section of its Quality Initiatives website. The first covers the technical documentation of all OASIS-C Outcomes, Potentially Avoidable Events, and Process Measures, said CMS's **Robin Dowell** in the July 6 Open Door Forum for home care providers. The second document is a set of tables that detail OASIS-C Outcomes, Potentially Avoidable Events, and Process Measures.

The next Home Health Compare refresh is slated for July 21, Dowell said. Once that occurs, the site will display process and outcome measures from data gathered over the 12 month period from April 2010 to March 2011. This is the first time OASIS-C outcome measures will be available on Home Health Compare. The data will be available for referral sources, competitors and patients to review.

CMS has also made some changes to the data management system for OASIS Validation Reports, CMS's **Kim Jasmin** said during the call. Reports created from May 26th on will be stored on state servers for up to one year. Previously, the reports were being rolled-off after a shorter amount of time which made it difficult for home health agencies to respond to RHHI's requests. The extended roll-off period should help to prevent some denied claims as a result of medical review.

OASIS Final Validation reports or OASIS Activity reports created on or after May 26 will be stored on the state server for one year. This change extends the rolloff period and allows home health agencies more time to provide evidence to the contractors that assessments were submitted, in order to avoid denial of claims during the medical review period.

In other CMS news, the planned transition from AT&T as OASIS submission vendor to Verizon has been delayed past the expected June deadline. The transition is now expected to be completed by the end of September. To follow the progress of the systems migration, visit: [www.qtso.com](http://www.qtso.com)



Note: You can listen to the entire CMS ODF call online here: [www.ustream.tv/recorded/15833391](http://www.ustream.tv/recorded/15833391)