

## OASIS Alert

### M0110: Expect Headaches From Episode Timing Question

New 'early/late' question may stump clinicians.

Discovering prior patient history will continue to challenge home health agencies.

In its final prospective payment system revisions, the **Centers for Medicare & Medicaid Services** cuts OASIS item M0175 concerning patients' prior inpatient stays from the case mix calculation. M0175 has created overpayments, takebacks and much agency frustration.

Now CMS adds item M0110 on prior home health episodes. M0110 reads "Episode Timing: Is the Medicare home health payment episode for which this assessment will define a case mix group an 'early' episode or a 'later' episode in the patient's current sequence of adjacent Medicare home health payment episodes?"

**Definitions:** "Early" means the first or second episode, while "later" is a third or later episode. "Adjacent" means episodes don't have to directly follow one another but can be spaced apart up to 60 days, CMS confirms in the just-released final rule. And the definitions apply whether the subsequent or adjacent episodes take place at one HHA or across multiple agencies.

CMS will pay HHAs more for third or later episodes than early episodes. Despite industry arguments that initial episodes cost more due to administrative and visit frontloading, HHA cost report data shows more intensive costs in third and later episodes, CMS contends.

On Patient History, Go Back Months

For accurate payment, agencies should focus on getting M0110 correct once PPS revisions take effect Jan. 1, says reimbursement consultant **Melinda Gaboury** with Nashville, TN-based **Healthcare Provider Solutions**.

M0110 may challenge agencies more than M0175, experts predict.

HHAs will actually have more difficulty answering M0110 than the expiring M0175, experts expect. One reason is because the question will require "agencies to have knowledge as to the patient's home health services use for as many as 121 days (two episodes plus a day)," says **William Dombi**, vice president for law with the **National Association for Home Care & Hospice**.

And it actually may encompass more time, since the "adjacent" episodes can be up to 60 days apart themselves.

Remember the problems the Common Working File created for M0175? Expect the same kind of lag from the time the services are provided to when they are billed, paid and reflected in the CWF, says Abilene, TX-based reimbursement consultant **Bobby Dusek**.

Plan For Billing Delays When PPS Hits

That time lag may be even worse when the PPS revisions hit as agencies and intermediaries cope with the extensive

changes, predicts consultant **M. Aaron Little** with **BKD** in Springfield, MO. "Delayed billing by any provider will always be a much more significant problem than it has been in the past" thanks to M0110, Little says.

**Good news:** "The CWF will automatically adjust claims up or down to correct for episode timing (early or later, from M0110)," CMS says in the final rule.

## 5 Steps To M0110 Success

Don't count on the auto-adjustment to keep your payments straight. The untried adjustment mechanism may malfunction, just like the partial episode payment (PEP) adjustment mechanism failed in the early years of PPS, Little says

To get accurate reimbursement, experts advise you to start planning now.

Here are 5 expert tips to get you started right away:

**1. Bill timely.** Using the CWF to determine patients' prior episodes won't work unless the previous agency submits requests for anticipated payment (RAPs) and final claims promptly, Little notes.

And make sure you are billing for all episodes. "While this is obviously important at all times, M0110 heightens the priority for all providers," he tells **Eli**.

**2. Check the CWF.** An agency's first step in determining the correct answer for M0110 should be to check the CWF, Dombi advises. Luckily, determining prior home health stays in the CWF is much clearer than figuring out M0175 prior inpatient stays, Little notes.

**3. Ask the beneficiary.** Patients are not always the most reliable source of information for prior service history, experts admit. Nevertheless, patients can offer important clues as to prior home health episodes, so ask them about M0110, Dombi counsels.

**4. Ask the attending physician.** Even though the physician isn't a definitive information source, he may have information that helps you answer M0110 accurately.

**5. Share information.** Information on a prior home health episode that gets lost in the shuffle won't do anyone any good. "Ensure communication procedures are clear between clerical/billing staff and clinical staff," Little urges.