

## OASIS Alert

### OASIS Clarification: Expect M0110 CWF Changes

Fully denied episodes cause M0110 confusion.

You can't count on the common working file to correctly identify early and later episodes, according to the **Centers for Medicare & Medicaid Services**.

CMS is mandating changes to the common working file to correct a problem in answering OASIS item M0110 (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?).

M0110 applies to Medicare fee-for-service episodes only. Medicaid, Medicare Advantage and private insurance episodes do not count in the sequence of adjacent episodes.

Regional home health intermediaries may fully deny episodes because they do not meet the Medicare coverage requirements for the home health benefit. These denied episodes cannot be counted in determining whether a new episode is early or later for M0110, CMS clarifies in Change Request 6027, issued May 16. "These episodes should be treated the same as periods without any home health services," CMS says. Reasons for full denial include absence of physician orders; the patient not being homebound; no need for skilled service or services that were not reasonable and necessary.

Whether an episode is early or later changes the amount of the episode reimbursement. But the CWF currently does not distinguish between episodes that were paid and those that were denied, CMS explains. Instead, it checks episodes based on their start and end dates alone. The contractor must make changes to the Medicare system to include indicators that an episode received a full coverage denial, CMS instructs. The implementation date for the CWF changes is Oct. 6, although the clarification is effective as of January 2008, CMS says.

Note: For the related MLN Matters article, go to <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6027.pdf>.