

OASIS Alert

OASIS News: Case Mix Readjustment Pressure ON

GOA, MedPAC and HHAs finally agree.

In the **General Accounting Office's** Feb. 27 report to the **House Ways & Means Committee**, the GAO points out a problem the home care industry has recognized for some time: readjustment of case mix categories. The GAO urges the **Centers for Medicare & Medicaid Services** to improve the accuracy of its PPS case mix adjuster soon.

Meanwhile, the **Medical Payment Advisory Commission** in its March 1 report to Congress said it "and others should examine the payment system to determine whether refinements might promote access to care for all types of eligible beneficiaries." In response to the GAO report, CMS notes substantial "refinement research" currently is in progress.

The **National Association for Home Care and Hospice** hopes Congress will direct CMS to fine tune PPS payments, "or there's no telling when case mix adjustment will happen," says **William Dombi**, vice president for law with NAHC's **Center for Health Care Law**.

1. A study conducted by the Endocrine Metabolic Center in Redwood City, CA demonstrated that 26 of 27 patients with peripheral neuropathy showed improved nerve function using Anodyne therapy -- a type of infrared therapy, according to an article in the January/February 2004 issue of Endocrine Practice (the professional journal of the **American Association of Clinical Endocrinologists**).

This brings the total number of patients studied using this therapy to 2,000, says **Anodyne Therapy LLC** in Tampa, FL. After receiving ten 40-minute treatments, 59 percent of the patients in the recent study showed normal sensory response, reports Dr. **J. Joseph Prendergast**, who conducted the study.

2. **If you trip up on certain conditions of participation, it could affect** your survey and certification status -- but it shouldn't influence your bottom line. That's the message CMS gave to its intermediaries in response to complaints that the contractors weren't paying up if home care providers failed to comply with the Medicare COPs.

"This new information will be very beneficial to providers who have questioned if it is permissible to bill for services in cases where they failed to comply with the regulations," says NAHC. The two most troubling scenarios for HHAs have been whether they can bill when a therapist performs the start-of-care OASIS when nursing is ordered, or when assessments aren't completed in the five-day SOC or recertification window, NAHC says.

3. In case CMS continues to attempt to recoup money for M0175 for the three-and-a-half years since the prospective payment system began, NAHC is readying a lawsuit, says NAHC's William Dombi. NAHC also will challenge CMS' plan to collect overpayments it identifies using its edits, while refusing to identify and pay underpayments using the same system. In OASIS item M0175, HHAs lose money if they leave off a skilled nursing facility or rehab stay in addition to marking a hospital stay that occurred within 14 days of admission. (For the latest updates see Eli's Home Care Week)
4. The prospective payment system episode base payment rate changes on April 1. The old rate (through March 31) was \$2,230.65, The new 2004 rate for non-rural agencies is \$2,213.37. For rural agencies the new rate is \$2,324.04.