

## OASIS Alert

### OASIS News: CMS TRANSLATES OUTCOME REPORT METHODOLOGY INTO PLAIN ENGLISH

#### Case mix translation yet to come.

It's taken years of asking for a simpler way to understand the calculations underlying the outcome measures resulting from the OASIS assessment. But finally providers can access tables the **Centers for Medicare & Medicaid Services** has posted.

In the tables, each OASIS item is listed, along with an explanation of how the related outcome measure is calculated and which patients are excluded. Later this year, CMS plans to release an understandable version of the prospective payment system's case mix adjustment system, the **National Association for Home Care & Hospice** reports.

The outcome methodology information is found at [www.cms.hhs.gov/states/hhareports/OBQI\\_Measure\\_Documentation.pdf](http://www.cms.hhs.gov/states/hhareports/OBQI_Measure_Documentation.pdf).

- **Home health agencies serving higher case-mix patients are also seeing** higher profit margins, research by **Medicare Payment Advisory Commission** staff reveals. Agencies with the lowest case mix had a median margin of 12.3 percent in 2002 while HHAs with the highest case mix saw a median margin of 22.8 percent, MedPAC staff said in the Sept. 8 meeting of the influential advisory body to Congress.

MedPAC will present its findings on the relationship between case mix and profit margin in a mandated report to Congress Dec. 8. While there is a relationship between case mix and profitability, there are too many variables involved in profit margin to pin down the exact nature of the relationship, MedPAC concluded.

Commissioners want more research on case mix and prospective payment system accuracy in the future as they address PPS refinements, they said.

- **Regional home health intermediary Palmetto GBA announced** its denial rates for one of its universal edits. This edit reviews claims for patients whose OASIS scores indicate functional independence, but who had 10 or more therapy visits. HHAs billing claims with a HIPPS code functional domain of F0 and a service domain of S2 saw a 54.96 percent denial rate in the quarter from April 1 through June 30, 2005, Palmetto announced in the September Medicare A Newline. Claims with F0 and S3 had a denial rate of 40.12 percent for the same quarter, the intermediary reported.