

OASIS Alert

PPS Correction Adjustments Are On The Way

But you'll have to do some legwork to get your due reimbursement.

If you're waiting on money from Medicare to make up for the PPS claims payment errors this year, start checking your mailbox soon.

The **Centers for Medicare & Medi-caid Services** has directed the regional home health intermediaries to adjust home health agency claims to correct errors associated with the prospective payment system refinements that took effect in January 2008, according to Oct. 31 Transmittal No. 397 (CR 6250).

Timeline: The RHHIs have indicated a desire to complete the PPS adjustments by the end of the year so they are finished before the January 2009 rate update takes effect, a CMS official tells **Eli**. But the transmittal requires the intermediaries to finish the project only by Feb. 2, 2009. CMS can't promise the RHHIs will achieve the year-end goal, "but it is a target they are considering," the CMS source says. HHAs whose fiscal years end with the calendar year will be happier if the adjustments take place by Dec. 31, expects billing consultant **M. Aaron Little** with **BKD** in Springfield, Mo. Closing the year with these errors still on the books would be "a nuisance," Little notes.

"The sooner the better," Little adds about the adjustments. HHAs are ready to have these errors off their books, even if they mean modest takebacks.

Beware Cost of Uncorrected Therapy Mistakes

CMS plans to make adjustments for nine different PPS errors throughout the year, it explains in an MLN Matters article on the topic. They range from the widespread problem of failing to count 2007 episodes toward early/late designations to incorrectly paying low utilization payment adjustment (LUPA) amounts. Still, there are a few issues left off the list, Little believes. An additional LUPA payment error for episodes that don't qualify and the problem of recoding based on incorrect OASIS matching string early/late information are missing, he says.

Don't miss: You won't receive your rightful reimbursement for every listed error automatically. In two of the nine errors, the intermediaries will correct the claims only if providers bring them to the RHHIs' attention.

When the system failed to upcode claims that unexpectedly exceeded the 20-therapy-visit mark and when the system paid LUPA rates for speech language pathology visits incorrectly, HHAs must bring those claims to the intermediaries for correction. The therapy error took place on claims processed from Jan. 1 to Feb. 4 while the SLP problem exists for claims processed from Jan. 1 to Aug. 4.

These claims "will be adjusted on prov-ider request rather than systematically because they affect small volumes of claims or small payment errors and costs of developing systematic adjustment processes for these issues are prohibitive," CMS justifies in the transmittal.

Take action: But the therapy issue may cost you more than you realize, Little warns. "Those agencies underpaid for the ... therapy error were likely underpaid by approximately \$1,000," he says. That's "significant enough that providers would want to evaluate whether any episodes paid prior to Feb. 4 processed with this error."

Note: The transmittal describing in detail the nine errors slated for correction is at <http://www.cms.hhs.gov/transmittals/downloads/R397OTN.pdf>. The MLN Matters article about the topic is online at www.cms.hhs.gov/MLNMattersArticles/downloads/MM6250.pdf.

