OASIS Alert

Reimbursement: 4 Options Clear Up RAP Billing

Start by considering your current billing software.

Now that the seven-day lock requirement is gone, be sure you are using the fastest payment method allowed.

Agencies listening to the May 24 Home Health, Hospice and DME Open Door Forum were stunned to discover a hidden glitch in the June 21 OASIS change eliminating the requirement to lock the OASIS data within seven days of completing the assessment.

Instead of filing a request for anticipated payment once the OASIS information was locked, the **Centers for Medicare & Medicaid Services** expected agencies to wait -- for up to 30 days. Home health agencies could submit the RAP only after transmitting the OASIS data, CMS said. And the new rules required HHAs to transmit this data within 30 days of the OASIS completion date (M0090).

Choose The Option That Works For You

One month later, CMS decided on a "work-around" to allow HHAs to preserve their cash flow despite the regulation eliminating the lock requirement.

Now CMS says agencies can bill RAPs if they "finalize" the OASIS data by continuing to use the lock mechanism, according to instructions released June 20. So even though the seven-day lock requirement was eliminated June 21, agencies can still choose to lock their data to allow faster billing.

In other words, there is no mandatory timeframe for locking OASIS data. "They simply need to be locked before the corresponding RAP is submitted," CMS explains in MLN Matters article SE0643. Agencies may transmit the data to the state on their own schedule, as long as they submit the data no later than 30 days after the assessment completion date in M0090, CMS adds.

"This most recent clarification solves the problems created by the earlier instructions," says consultant M. Aaron Little with BKD in Springfield, MO. The clarification also addresses the government's concern "that the OASIS data used for payment was the same data that was submitted to the State," CMS says.

HHAs have four ways to use the lock date -- which is required in the Medicare Claims Processing Manual -- according to the CMS instructions:

Option 1: Use software (other than HAVEN) that locks assessments. If your software has an internal locking feature, continue to use it, CMS advises. "If your software has not been changed in anticipation of OASIS changes, this option will mean no change to your current process is necessary."

Option 2: Use the old version of HAVEN (HAVEN 6.2, version 1.40) to lock assessments. This option has a few problems, CMS notes. Some records will be rejected due to the new consistency checks on ulcers and wounds. However, agencies can correct and resubmit these records. And warnings will result if the agency submits records more than 30 days after the assessment's completion date or if the primary diagnosis code and severity code are inconsistent.

Also, agencies can use the old HAVEN software only until May 2007. That's because Medicare will require National Provider Iden-tifier (NPI) numbers starting then and the software doesn't support NPI submission, CMS points out.

Option 3: Use the new version of HAVEN (HAVEN 7.0, version 1.50) with its optional lock feature for data.

"The ability to lock an OASIS assessment has been retained in the new OASIS software," CMS explains in the instructions. "Once data entry for an assessment is completed, the HAVEN Management Screen shows that the assessment is 'Locked (Export Ready)' and a payment group code is available for use on the RAP."

Option 4: Temporarily use non-locking software and dated records. CMS also acknowledges that some agencies have already removed the locking function on their software. Temporarily, these HHAs may "develop internal procedures for establishing that OASIS data is finalized for transmission to the State, equivalent to the prior state of being locked before submitting your RAPs," CMS allows.

If agencies use this option, the internal procedure should include the date the OASIS data were finalized, "which could be compared to the dates of submission of RAPs in any future audit of your records," CMS cautions. "As soon as possible you should revise your processes to use one of the compliant options."

Consider Pros And Cons

Savvy HHAs will choose Option 1 or Option 3, experts say. Option 2, sticking with the old HAVEN software, "is the easiest since the agency merely continues to use OASIS data as it has in the past," admits Abilene, TX-based consultant **Bobby Dusek**. "However, the loss of the new edits and possible complications could result in more time and effort than changing now," Dusek warns.

And agencies will have to switch to new software in 11 months, when the NPI is required. "Why not make the change now?" Dusek asks.

Best bet: Option 1, using non-HAVEN software that continues to lock assessments, will probably be the most popular choice. With that choice, providers will need few if any changes to processes, Little observes. "And software vendors don't need to scramble making programming changes."

"Option 1 will probably be used by all agencies that currently use commercial billing software," Dusek predicts.

Another good choice: Agencies that use HAVEN software will have only minor changes to make if they chose Option 3 ...quot; using the new version, HAVEN 7.0, Dusek says. That's because the software retains the "Locked (Export Ready)" feature.

Most providers merely will have to change their polces to read that instead of "locking" OASIS prior to RAP submission, OASIS is in the "Locked (Export Ready)" status, Dusek says.

Note: MLN Matters article SE0643 is at www.cms.hhs.gov/MLNMattersArticles/downloads/SE0643.pdf.