

## OASIS Alert

### Reimbursement: OASIS HOLDS THE KEY TO VERIFYING HOMEBOUND STATUS, REPORT FINDS

Home health agencies in a tangle with fiscal intermediaries over whether a patient meets Medicare's homebound and medical necessity requirements might need to look no further than their OASIS responses for proof of the patient's eligibility.

On average, agencies can use start of care OASIS data to determine whether Medicare should consider a patient homebound in 48.5 percent of cases, finds a study conducted by the **Department of Health and Human Services** and the **Visiting Nurse Service of New York**. OASIS can establish medical necessity 89 percent of the time, notes the final report, "Clarifying the Definition of Homebound and Medical Necessity Using OASIS Data."

Researchers developed one algorithm to determine homebound status and one for medical necessity based on OASIS data. They also tested two medical review tools to use as a follow-up to the homebound and necessity algorithms if necessary.

"The algorithms can be used to ascertain whether an individual meets the two Medicare eligibility requirements and the record review tools to reinforce the importance of documenting the need for home care for patients who are not captured by the algorithms," the final report concludes.

HHAs can "incorporate the algorithms into their routine OASIS data processing procedures" to assess the likelihood that a patient will meet Medicare's requirements before submitting the OASIS assessment, the report explains. That way, agencies will have a good idea of whether they can expect Medicare to pony up for the patient in question.

To develop the algorithms, researchers convened an expert panel to examine the homebound and medical necessity criterion with respect to OASIS. They attempted to match each homebound and medical necessity indicator with an OASIS item (and sometimes more than one). For example, marking either 4 or 5 on M0690 indicates a patient is bed bound, as does marking 5 on M0700, the report notes.

Researchers then translated this information into two decision trees (one for homebound and one for medical necessity) that agencies can use to determine whether patients will qualify for Medicare coverage. (See decision trees reproduced from the final report in articles 2 & 3.)

This information can be extremely valuable to home health agencies facing claims denials due to perceived homebound or medical necessity shortcomings, says expert panel member **Linda Krulish** with **Home Therapy Services** in Redmond, WA.

"Now if a claim is denied, an agency can say based on this algorithm that was put together by a group of clinical experts this patient does meet these criteria," she explains. Agencies appreciate the algorithms' objective way of determining homebound status and medical necessity, Krulish tells **Eli**.

On the other hand, some agencies are worried that "it might be used against them with that same level of objectivity," she reports. FIs can use the algorithms to bolster their decision to deny a claim, Krulish admits. And although FIs haven't formally implemented the algorithms as a claims review tool, that potential has some HHAs worried.

Part of the project's purpose was to help FIs conduct more focused reviews, but the algorithms aren't the end of that process, Krulish emphasizes. If a patient doesn't meet the homebound or medical necessity criteria under the OASIS algorithms, the report lays out a medical review tool as the next step. "There are other things in the record to look for

that could prove a patient's homebound status that aren't included in OASIS," she says.

The researchers developed two medical record review tools (one for homebound status and one for medical necessity). "Each tool includes a check-off list of clinical conditions identified by the expert panel as important for determining eligibility but OASIS data are lacking," the report explains.

So between the algorithms and the record review tools, the study offers a "pretty thorough approach" to determining homebound status and medical necessity through OASIS, Krulish opines.

In addition to helping agencies back up their Medicare claims, the study also "points to the potential to define homebound differently," notes former **Centers for Medicare & Medicaid Services** official **Bob Wardwell**. "I hope that reason will eventually prevail and Congress will chip away at homebound until it becomes de facto a need test rather than a location test," says Wardwell, now with the **Visiting Nurse Associations of America**. "Eventually, OASIS type data could be used to measure need."

Editor's Note: To see the final report, go to <http://aspe.hhs.gov/daltcp/reports/OASISfr.htm#chapIII>.