

OASIS Alert

Reimbursement: USE RAPs TO OFFSET MANDATED PAYMENT HOLDS

Success depends on understanding new OASIS requirements.

To help keep your agency's cash flowing during the nine-day payment disruption at the end of September, rely on request for anticipated payment billing--but be sure you're billing correctly.

Beware Nine-Day Cash Drought

Background: Medicare will not pay any claims from Sept. 22 through Sept. 30, in accordance with the Deficit Reduction Act enacted in February, CMS announced in a May 10 MLN Matters article. Instead, intermediaries will pay these claims Oct. 2.

But RAPs are non-claim payments and thus not included in this cash flow crunch, the **Centers for Medicare & Medicaid Services** says. CMS revised its MLN Matters article about the hold after the **Homecare and Hospice Financial Management Association**, a NAHC affiliate, successfully challenged the inclusion of RAPs in the payment hold.

The impending late September payment hold for provider claims could cause "a serious nine-day cash flow problem," warns **William Dombi**, vice president for law with the **National Association for Home Care & Hospice's Center for Health Care Law**. That's an especially potent threat for providers used to surviving from payment to payment, Dombi says in NAHC's online newsletter.

Meanwhile CMS's OASIS change--effective June 21--eliminated the requirement to lock the OASIS data within seven days of completing the assessment. But that change also eliminated the method agencies used to finalize OASIS data so they could bill the RAP. So just when they need RAPs the most, agencies are struggling with new submission requirements.

Temporarily Increase RAP Frequency

Challenge: To compensate for the September payment hold, agencies should focus on billing RAPs more frequently, experts say. At the same time, they must adjust how they bill RAPs to comply with the "work-around" options CMS announced on June 20.

One way to avoid cash flow disruption in September is to bill RAPs more often, advises consultant **Melinda Gaboury** with **Healthcare Provider Solutions** in Nashville, TN. More frequent RAP billing--starting Sept. 1--will "help step up cash flow prior to and during the nine days that final [claims] will not pay," Gaboury explains. For example, agencies that usually bill RAPs once or twice a week should bill daily, she advises.

Reminder: Even though agencies don't have to submit OASIS data before billing RAPs, they do have to finalize the data first, says consultant **M. Aaron Little** with **BKD** in Springfield, MO.

Revise OASIS Processes To Reduce Risks

Agencies may transmit the OASIS 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 instructs. After that, the agency may bill the RAP. But to bill a RAP earlier than the date of data transmission, agencies must first finalize the OASIS data using one of the four options CMS outlined.

Option 1--using non-HAVEN software that continues to lock assessments--will probably be the most popular choice,

experts say. Under that selection, providers will need few if any changes to processes, Little observes. "And software vendors don't need to scramble making programming changes."

Option 3--using the new HAVEN 7.0 software--is a good choice for HAVEN users, says Abilene, TX-based consultant **Bobby Dusek**. It retains the locking feature while including the soon-to-be-required National Provider Identifier numbers and new consistency checks on wounds and ulcers.

Protect yourself: To be sure you don't let payments slip through your fingers--or find yourself with compliance problems down the road--focus on the following actions, Little suggests:

- **Stress the lock requirement.** Even though Medicare no longer requires a seven-day lock, "make certain both billing and clinical staff understand the importance of finalizing the OASIS," Little advises.

And make sure clinicians notify billers promptly once OASIS is ready. Poor communication means you're risking slow or missed billing or being out of compliance by billing without the required OASIS lock.

- **Have a deadline.** Consider implementing a seven- to 10-day deadline for finalizing OASIS data. Numerous providers haven't shared the lock date elimination news with their clinical staff so they can continue under the seven-day timeframe, they say.

- **Watch your RAPs.** Compare the number of RAPs billed to the number of admissions and recertifications to ensure they've all been billed, Little counsels.

Check them periodically throughout the month, then reconcile the final numbers at the end of the month. Track any RAPs that haven't been billed in a timely manner and determine why the OASIS data hasn't been finalized.

Note: MLN Matters article SE0643 is at www.cms.hhs.gov/MLNMatters. Choose "2006 MLN Matters Articles" and using the third option, search for the word "SE0643."