



Inpatient Rehabilitation Facility Issues and Updates

Provider Outreach and Education
National Government Services

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Presenters

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Acronyms

ALOS	Average length of stay
AMA	American Medical Association
CAH	Critical access hospital
CC	Condition code
CERT	Comprehensive Error Rate Testing
CMG	Case-mix group
CMS	Centers for Medicare & Medicaid Services
CPT	Current procedural terminology
CR	Change Request
DOS	Dates of service
DPU	Distinct-part unit
FI	Fiscal Intermediary

Acronyms

FISS	Fiscal Intermediary Standard System
FTE	Full-time equivalent
FY	Fiscal year
HCPCS	Healthcare Common Procedure Coding System
HIC	Health Insurance Claim Number
HMO	Health maintenance organization
ICD-9-CM	International Classification of Diseases, Clinical Modification, 9th Revision
ICF	Intermediate care facility
IOM	Internet-Only Manual
IPPS	Inpatient prospective payment system

Acronyms

IRF	Inpatient rehabilitation facility
LIP	Low income payment
LOS	Length of stay
LTCH	Long-term care hospital
MA	Medicare Advantage
MAC	Medicare administrative contractor
MUC	Medicare University credit
OC	Occurrence code

Acronyms

OIG	Office of Inspector General
PAI	Patient assessment instrument
PPS	Prospective payment system
PSC	Patient status code
RAC	Recovery audit contractor
RTP	Return to provider
SNF	Skilled nursing facility
TOB	Type of bill

Objective

- Review information provided by RAC and CERT contractors relevant to IRFs
- Discuss most common IRF RTPs and rejects with updates on 2011 system issues
- Briefly review the 2012 IRF proposed rule in order to make providers aware of potential changes should they wish to provide comment prior to the deadline expiration

Agenda

- Preadmission services billing clarification
- RAC overpayments and underpayments
- CERT IRF findings
- FY 2011 IRF RTPs and rejections
- IRF Proposed Rule overview and comment period deadline



Preadmission Services Billing Clarification



Change Request 7142

- Outpatient diagnostic services and admission-related outpatient nondiagnostic services provided the day of or day prior to admission to an IRFs or distinct part units are included on the inpatient claim
 - Includes entities wholly owned or operated by the hospital
 - Does not include ambulance or maintenance renal dialysis services

Change Request 7142

- Exception when the hospital attests to specific nondiagnostic services being unrelated to the inpatient admission
 - Preadmission nondiagnostic services must be clinically distinct or independent from the reason for the inpatient admission
 - Outpatient nondiagnostic services (not related to the inpatient admission) may be billed on a separate claim with CC 51



Recovery Audit Contractor IRF



RAC Overpayment Info

- Improper payments were made for beneficiaries transferred from an IRF to one of the following facilities:
 - IRF
 - LTCH
 - Inpatient hospital
 - Nursing home

RAC Overpayment Info

- Preceding IRF LOS is less than the ALOS for the CMG
 - ***Should*** be paid a per diem amount plus an additional half day for the first day vs. the full PPS rate
 - Full PPS payment equals improper overpayment

Patient Status Codes Resulting in Overpayments (Table 1)

PSC	Code Descriptor
01	Discharge to Home or Self Care (Routine Discharge)
02	Discharge/Transfer to a Short-term General Hospital for Inpatient Care
03	Discharge/Transfer to a SNF with Medicare Certification in Anticipation of Skilled Care
04	Discharge/Transfer to an ICF
05	Discharge/Transfer to a Designated Cancer Center or Children's Hospital

Patient Status Codes Resulting in Overpayments (Table 1)

PSC	Code Descriptor
06	Discharge/Transfer to Home Under Care of Organized Home Health Service Organization in Anticipation of Covered Skilled Care
07	Left Against Medical Advice or Discontinued Care
43	Discharge/Transfer to a Federal Hospital
50	Discharge/Transfer to a Hospice-Home
51	Discharge/Transfer to a Hospice medical facility
61	Discharge/Transfer to a Hospital-based Medicare Approved Swing Bed

Patient Status Codes Resulting in Overpayments (Table 1)

PSC	Code Descriptor
62	Discharge/Transfer to an IRF Including DPU of a Hospital
63	Discharge/Transfer to LTCH
64	Discharge/Transfer to a Nursing Facility Certified Under Medicaid but not Certified Under Medicare
65	Discharge/Transfer to a Psychiatric Hospital or Psychiatric Distinct Part Unit of a Hospital
66	Discharge/Transfer to a CAH
70	Discharge/Transfer to another type of health care institution not defined elsewhere in this code list

RAC Underpayment Info

- Reimbursement for the IRF was underpaid
 - Based on the type of facility the patient was subsequently transferred to, OR
 - Absence of any subsequent facility claim

RAC Underpayment Info

- Patient is discharged and admitted to another facility ***other than the day of discharge from the first facility***
- This does not fall within the transfer policy

RAC Underpayment Info

- Omitting or submitting a claim with an incorrect patient status code
 - Is a claim billing error and could result in your claim being rejected, or
 - The claim being cancelled and payment recovered
- Applying the correct PSC helps assure prompt and correct payment is received

Patient Status Codes Resulting in Underpayments (Table 2)

PSC	Code Descriptor
02	Discharge/Transfer to a Short-term General Hospital for Inpatient Care
03	Discharge/Transfer to a SNF with Medicare Certification in Anticipation of Skilled Care
61	Discharge/Transfer to a Hospital-based Medicare Approved Swing Bed
62	Discharge/Transfer to an IRF Including DPU of a Hospital
63	Discharge/Transfer to LTCH

RAC Resource

Recommendations for IRFs

- CMS IOM Publication 100-04, Chapter 3, Section 140.2.3
 - <http://www.cms.gov/manuals/downloads/clm104c03.pdf>
- SE0801 “Clarification of Patient Discharge Status Codes and Hospital Transfer Policies”
 - www.cms.gov/MLN MattersArticles/downloads/SE0801.pdf

RAC Resource

Recommendations for IRFs

- SE0459 “Clarification of Medicare’s Transfer Policy Under the Inpatient Prospective Payment System (IPPS)”
 - www.cms.gov/MLNMArticles/downloads/SE0459.pdf
- MM5354, “New Edits Established to Enforce Proper Transfer Coding and Payment in Inpatient Rehabilitation Facility Prospective Payment System (IRF PPS) Claims”
 - www.cms.gov/MLNMArticles/downloads/MM5354.pdf

RAC Resource

Recommendations for IRFs

- SE1024 contains a list of the RACs and their Web sites
 - www.cms.gov/MLN MattersArticles/downloads/SE1024.pdf



Comprehensive Error Rate Testing



CERT Process

- Randomly select sample of claims from all Medicare contractors
- Request medical records from the billing provider by letter, phone and fax
- Review claims along with medical records to see if the documentation supports all services billed
- Determine if the claim or service is processed correctly and is in compliance with all of Medicare policies, procedures and guidelines

CERT Process

- If the records sent to CERT do not support what was billed to Medicare
- CERT contractor will request the Medicare contractor to process adjustments to make necessary corrections to the billing or deny services billed

CERT Process

- Medicare will send an overpayment letter to the provider
 - With some cases an additional contact to Compliance or Patient Accounts provider staff will be made with an additional letter
 - This letter contains more details – reason for billing correction or denial and appeal process
 - Details will also be available within remarks screen in the FISS claims processing system

CERT Process

- CERT findings are used for data analysis and possible additional review of claims and medical records by Medicare and/or RAC contractors
- Data analysis and additional reviews help determine the type of education or intervention required for services found in error by CERT to reduce error rates

FY 2011 IRF CERT Data

- National Government Services Title 18 and Jurisdiction 13 (J13) IRF claims reviewed by CERT in FY 2011
 - 17 IRF and rehabilitation DPU inpatient claims
 - Two of the reviewed claims were determined to have been paid in error
 - Problems related to IRF PAI documentation and physician certification
 - Both claims currently in appeals process

CERT Appeal

- If you disagree with a CERT decision or have additional information to support the original payment
 - Five levels of appeal are available

CERT Appeal

- Original medical records sent to the CERT Documentation Contractor will be sent to the appeals department
- Only submit the Request For Redetermination Form (CMS-20027) and any additional information supporting the appeal

CERT Appeal

- You may appeal through the MAC or FI within 120 days of the date the adjustment was processed
- Additional appeal information available at www.NGS Medicare.com
 - Choose region then link “Go To Home Page”
 - “Review Process”
 - “Appeals”
 - “Levels of Appeal and the Appeals Process”
 - Scroll to “Redetermination Request”
 - Links “CMS-20027...” for request form and “...mailing addresses” for address to mail request to

IRF Coverage, Documentation & CERT Resources

- CERT Inpatient Rehabilitation Services Fact Sheet
- CMS IOM Publication 100-02, Chapter 1, Section 110
 - www.cms.gov/Manuals/Downloads/bp102c01.pdf
- CMS Web site information on IRF coverage requirements
 - www.cms.gov/InpatientRehabFacPPS/04_Coverage.asp

IRF Coverage, Documentation & CERT Resources

- CMS IRF Spotlight Web page
 - www.cms.gov/InpatientRehabFacPPS/02_Spotlight.asp
- For the most recent FY Final Rule for the IRF PPS
 - www.cms.gov/InpatientRehabFacPPS/LIRFF/ist.asp

IRF RTPs and Rejections

IRF RTPs

- 31741 – IRF claims, with a discharge date on/after 01/01/11, report the date assessment data with OC 50
- Discharges prior to 01/01/11 require a line item DOS reported with revenue code 0024
- CR 7019

IRF RTPs

- 32907 – OC 50 and revenue code 0024
- For claims with a PSC other than 30, the date of the transmission of the IRF PAI (must be within the from and through dates on the claim)
- Edit bypassed when the patient status equals 30

IRF RTPs

- 31608 – HMO involvement
- IRFs are required to submit covered informational-only claims with condition code 04 for beneficiaries enrolled in a MA plan for these days to be captured in the LIP calculations

IRF RTPs

- 711M2 – Incorrect units due to a system issue
- Claims impacted from January 3-5, 2011
- New claims will be processed with the original receipt date and correct units
- **No provider action** required; these claims will be reprocessed by the contractor

IRF RTPs

- 17801 – Claim submitted with an invalid ICD-9-CM diagnosis code
- ICD-9-CM codes must be 3-5 positions, left justified
- ICD-9-CM codes must be submitted with no decimal points

IRF Rejections

- 37574 – Claim contains condition codes 04 & 69, indicating the patient was enrolled in a HMO during the from and through dates
- If the IRF is a teaching facility, this rejection is appropriate
- Payment for medical education is made through the cost report

IRF Rejections

- 38200 – Exact duplicate of a previously submitted claim
- The following fields on history and processing claim are the same
 - TOB, provider number, statement from and through dates, HCPCS and modifiers, revenue codes, and total charges

IRF Rejections

- 38005 - Duplicate of a previously submitted inpatient claim; first two digits of the TOB are identical
- Following fields on the history and processing claim are the same
 - HIC number, provider number, statement from and thru dates, revenue code, HCPCS and modifiers (if required by revenue code file)

IRF Rejections

- C729H – IRF PPS claim improperly coded as a discharge claim instead of a transfer to another facility
- Occurs when a history claim contains an admission date equal to the incoming claim's discharge date

IRF Rejections

- 39934 – All revenue code lines on the claim are denied as noncovered and at least one line is beneficiary liability



2012 IRF Proposed Rule



2012 IRF Proposed Rule

- CMS proposal to update 2012 Medicare payment policies and rates for IRFs under consideration:
 - Increase payment rates under IRF PPS by 1.5 percent
 - Estimated \$120 million nationwide
 - Would apply to 1,200 IRFs
 - 200 freestanding IRFs and
 - 1,000 IRF subunits in acute care hospitals & CAHs

2012 IRF Proposed Rule

- Proposal to create a new quality reporting program:
 - Aligned with goals of new ‘Partnership for Patients’
 - Improve quality, safety and affordability of health care
 - www.healthcare.gov/center/programs/partnership
- Initial data for two of nine quality measures
 - Urinary catheter-associated urinary tract infection
 - New or worsened pressure ulcers

2012 IRF Proposed Rule

- IRFs not submitting quality data may see a two percent reduction in payment in 2014
- Additional measures anticipated reporting in future rulemaking
- CMS plan to make measures data available to public
 - IRFs would have opportunity to review data for accuracy before publication

2012 IRF Proposed Rule

- Additional provisions in proposed rule
- Update CMG relative weights
 - Using 2010 claims and 2009 cost report data
- Set the high cost outlier threshold at \$11,822 for 2012
- Allow temporary adjustments to their FTE intern and resident caps

2012 IRF Proposed Rule

- Comments to proposed rule
- CMS accepting comments until **06/21/11**
- Comments to be addressed in final rule to be issued 08/01/11
- Proposed rule on display at the Federal Register's Public Inspection Desk
- Under 'Special Filings'
 - www.ofr.gov/inspection.aspx, or
 - <http://edocket.access.gpo.gov/2011/pdf/2011-10159.pdf>

CMS Listserv & National Government Services E-mail Updates

- To receive the most recent Medicare updates and changes, subscribe to the 'Contractor Provider Education Resources Listserv'
 - LearnResource-L@cms.hhs.gov
- To receive National Government Services E-mail Updates
 - www.ngsmedicare.com
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NGSMedicare.com Web Update




We Need to Hear From You!

- Survey presents when using the NGS Medicare.com Web site
 - We look at survey scores every day
 - We read every comment our users submit
 - We use scores and comments to develop plans to improve the Web site
- We need to hear from more of you more often!

Web Site Survey

- This is your chance to have your voice heard—Say “yes” when you see this pop-up so National Government Services can make your job easier!



Thank you for visiting the National Government Services Medicare website!

You have been selected to take part in a customer satisfaction survey about your experience using our website. Your feedback is important to us and will be used to help guide future website improvements. All results are strictly confidential.

Are you willing to participate in our survey later in your website visit?

The New NGSMEDICARE.com

- NGSMedicare.com moves to new site platform
- Specific areas of enhancements
 - Site that remembers who you are!
 - Enhanced navigational cues
 - Change line of business from any page
 - Hot Topics (new)
 - Production Alerts (new)
 - Top 5 Requested Pages (new)
 - Variable text sizing (new)
 - Broadened content filtering capabilities



Medicare University Credit Self-Reporting Instructions



Medicare University Training

Event Number: XXXXXXXXXX

- Topic: Inpatient Rehabilitation Facility (IRF) Issues and Updates
- Medicare University Credits (MUCs): 1
- Catalog Number: AA-C-XXXXX

Medicare University Self-Reporting Instructions

- To earn MUCs, you must self-report your attendance after this training event has ended:
 - Go to www.NGS Medicare.com, select your business type and region, then select Go
 - On the lower-right side of the page, select the Medicare University logo
- Alternatively, go directly to the Medicare University Web site at <http://www.MedicareUniversity.com>

Medicare University

Self-Reporting Instructions

- Log on to the National Government Services Medicare University site
 - Note: You will be prompted to enter your Medicare University log on ID and password; if you don't already have one, you may obtain one at this point
- Select Course Catalog from the left-side menu
- Select the Details button for the appropriate course
Verifying Medicare Beneficiary Eligibility
 - To locate and self-report today's training event either look for the name of the event or look for the “Catalog ID” number AA-C-XXXXX provided for this event

Medicare University Self-Reporting Instructions

- A new window will open providing the event description and information; select the Enroll button (the screen will then refresh)
- Next, select Curriculum List from the left side menu; locate the self-reporting course you just enrolled in and select 'Go'
- A new page will open; select the Launch button on the new page and the course will load in a new window
- Enter the training event number (XXXXXXXXXXXX) and select the Submit button

Thank You

- Questions?
- Training Assessment available from GoToWebinar after today's event!