

Getting Ready for 2014



Two Key Components of Readiness

1. Ability to identify & prioritize risks
2. Ability to respond to risks

The Good News: An effective compliance framework supports both

OIG Compliance Program, Guidance for Hospices

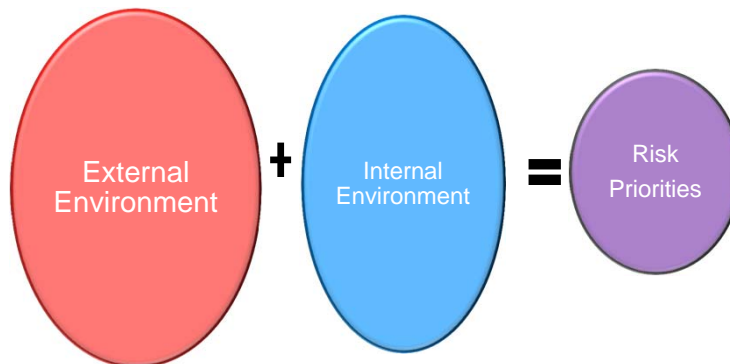
<https://oig.hhs.gov/authorities/docs/hospicx.pdf>

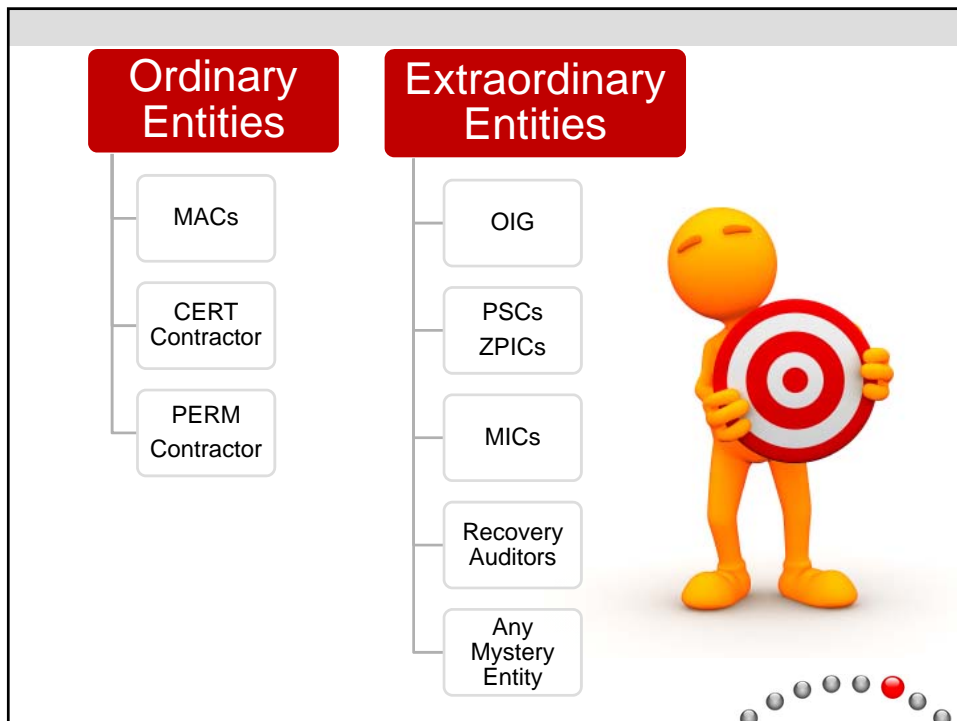
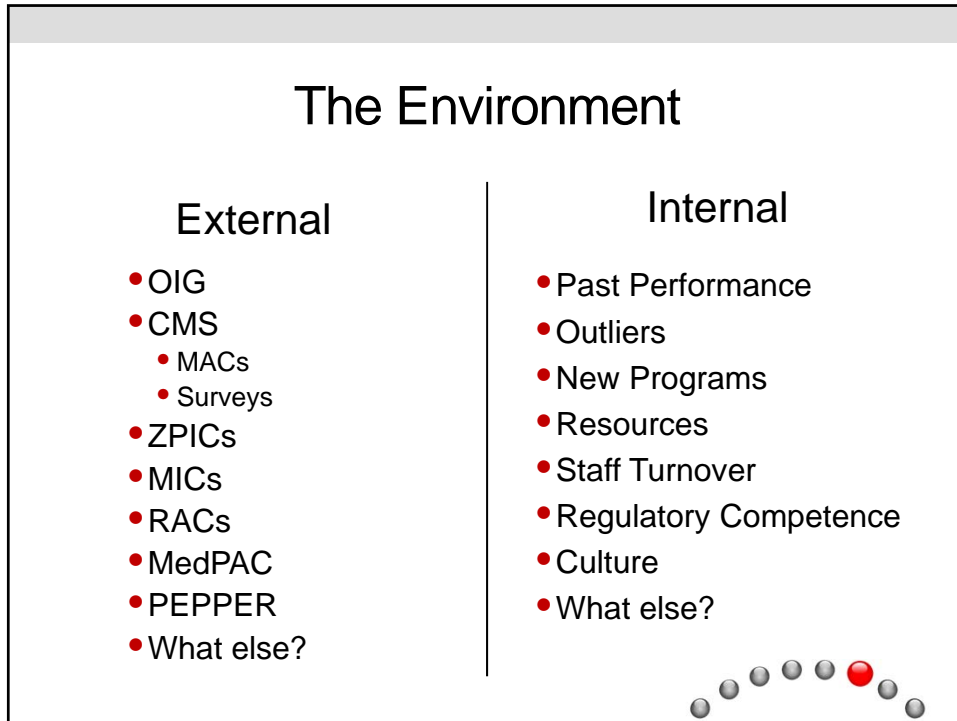
The Two Key Questions



1. What might we expect in 2014?
2. Based on the answer to #1, how can we best allocate scarce resources to meet our compliance needs?

Assessing & Prioritizing Risks





Extraordinary Entities Their Common Interests

- OIG
- PSCs
ZPICs
- MICs
- Recovery Auditors
- Any Mystery Entity

- Did the services that the Medicare (or, in the case of the MICs, Medicaid) system paid for meet the requirements for coverage and payment?
- If not, why not?
- Was there fraud involved?
- How much money should be recouped?
- What other penalties should be levied?
- CMS Compliance Group Interactive Map
www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html

Extraordinary Entities The OIG


- OIG
- PSCs
ZPICs
- MICs
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- Charged with ferreting out fraud and abuse in health care
- Releases an annual work plan – used to be October, this year moving to beginning of 2014
- Annual plan sets forth projects by provider type to be addressed during the upcoming year
- Releases reports at the conclusion of projects

Extraordinary Entities

OIG FY 2013 Work Plan


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Extraordinary Entities

Current Known Activities

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Extraordinary Entities

PSCs > ZPICs

- OIG
- PSCs
ZPICs
- MICs
- Recovery Auditors
- Any Mystery Entity

- Remain the most active extraordinary entity in the hospice world
- Their MO
 - Request medical records and conduct medical review to evaluate the identified potential fraud
 - May also make on-site visits
 - May or may not share what they are looking for or at
 - Utilize sophisticated data mining and analysis techniques
 - Employ extrapolation in determining paybacks
- Good friends with DOJ & law enforcement
- Hospice community is still learning their ways

PSC: Program Safeguard Contractors
ZPIC: Zone Program Integrity Contractors
Transitioning from PSCs to ZIPs as part of payment reform

Extraordinary Entities


Medicaid Integrity Contractors

- OIG
- PSCs
ZPICs
- MICs
- Recovery Auditors
- Any Mystery Entity

- Similar function to the ZPICs for Medicaid
- Overall program is the Medicaid Integrity Program (MIP) – **operated under jurisdiction of Center for Medicaid & State Operations**
- Consists of 3 types of contractors
 - Review MICs
 - Audit MICs**
 - Education MICs
- Active in TX in 2012, currently new projects in FL or WV
- Call a healthcare attorney if you hear from them


Extraordinary Entities Recovery Audit Program

- OIG
 - The bounty hunters of the system; paid a % of identified over or underpayments instead of flat fee
- PSCs ZPICs
 - Projects must receive approval from CMS before initiation
- MICs
 - Currently four RACS; each state assigned to one
- Recovery Auditors
 - 5th RAC coming in 2014: national RAC for home health, hospice and DMEPOS
- Any Mystery Entity



Extraordinary Entities Medicaid RACs


- OIG
 - By 1/1/2012 all states were to have established their Medicaid RACS
- PSCs ZPICs
 - Function in almost the same way as the Medicare RACs
- MICs
 - Although CMS encourages states to establish a process similar to the Medicare New Issue Review Board, there is no such requirement
- Recovery Auditors
 - Final rule focused on flexibility for the states so little consistency
- Any Mystery Entity



Extraordinary Entities Any Mystery Entity

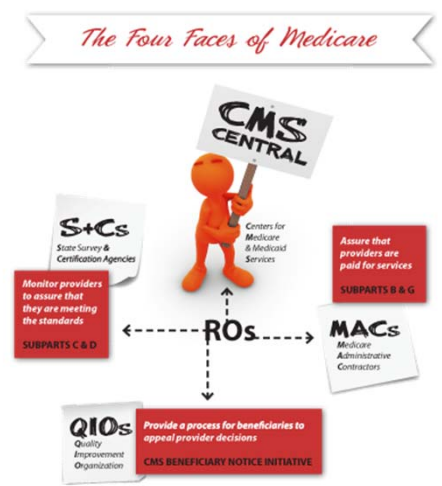
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- Any Mystery Entity

- If another type of entity pops up, treat it as extraordinary until you know differently
- No mystery entity activity in 2013

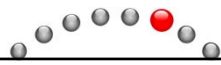


CMS: Centers for Medicare & Medicaid

The Four Faces of Medicare

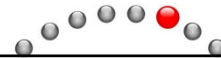


- S+Cs** (State Survey & Certification Agencies): Monitor providers to assure that they are meeting the standards (SUBPARTS C & D)
- ROs** (Regional Offices): Centers for Medicare & Medicaid Services
- MACs** (Medicare Administrative Contractors): Assure that providers are paid for services (SUBPARTS B & G)
- QIOs** (Quality Improvement Organization): Provide a process for beneficiaries to appeal provider decisions (CMS BENEFICIARY NOTICE INITIATIVE)



How CMS Has Been Spending Its Time

- Working on hospice payment reform
 - Requiring more data on hospice claims
 - Reminding hospices that all claims should include diagnosis codes for the terminal and related diagnoses
- Barring use of some diagnosis codes as principal hospice diagnoses
- Clarifying policy and instituting controls related to Part D coverage for hospice beneficiaries
- Getting Hospice Quality Reporting underway
- Refining its ability to follow the beneficiary



Ordinary Entities



Medicare Administrative Contractors

- Technical Areas (first thing reviewed on every chart – includes plan of care)
- Eligibility
- Length of Stay
- Non-Cancer Diagnoses
- General Inpatient Level of Care

- Watch for specific areas for your MAC



Medicare Payment Advisory Commission

- Independent Congressional agency established by BBA 1997
- The Thinkers – no regulatory authority
- Issue reports to Congress in March and June
- Meeting transcripts available (and searchable)
- The majority of the changes we have seen in the past few years are a direct result of MedPAC recommendations

<http://medpac.gov/>

Medicare Payment Advisory Commission

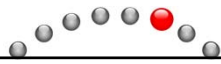
Meeting 12/12 & 12/13

ISSUE: By law, each year the Commission is required to review Medicare payment policies and to make recommendations to the Congress. The Commission asks whether payments to hospice are adequate and how they should be updated in 2015.

KEY POINTS: We use the Commission's payment adequacy framework which considers

- Access to care
- Quality of care
- Providers' access to capital
- Medicare payments and providers' costs

PEPPER

- Program for Evaluating Payment Patterns Electronic Report
 - Information only – but the same data is available to all regulatory and investigatory entities
 - 2013 Report: Live Discharges (Take 2)
 - Expect better data in the future
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Comparative Billing Reports

- Prepared by SafeGuard Services LLC
- What it shows: "...a provider's billing pattern for various procedures or services and compares that billing to their peers"
- Hospice Report: CBR027 Hospice Services per Care Setting FAQs
- First report issued 2012, second in July 2013

www.safeguard-servicesllc.com/cbr/default.asp



Other Providers - Hospitals

- CR8273 Denial of Inpatient Services Related to a Hospice Terminal Diagnosis
- Will deny hospital claims with
 - "07" coding and
 - primary hospital diagnosis showing up on hospice dx list
- Effective date 4/1/2014
- Outcome of RAC project looking at the 07 hospital claims submitted



Is This What They Are Thinking?

In addition to not managing eligibility well, hospices are shifting costs for goods and services included under the Hospice Medicare Benefit to other Medicare programs.



Where Did the Darts Cluster?

The Review of Activities

- Eligibility / LOS
- Payment Obligations / Related Unrelated
- General Inpatient LOC
- Technical Provisions
- Coding
- Live Discharges
- Care in the Nursing Home

Also On the Horizon

- Additional Data Elements on Claims
- HIPAA
- Cost Report Changes



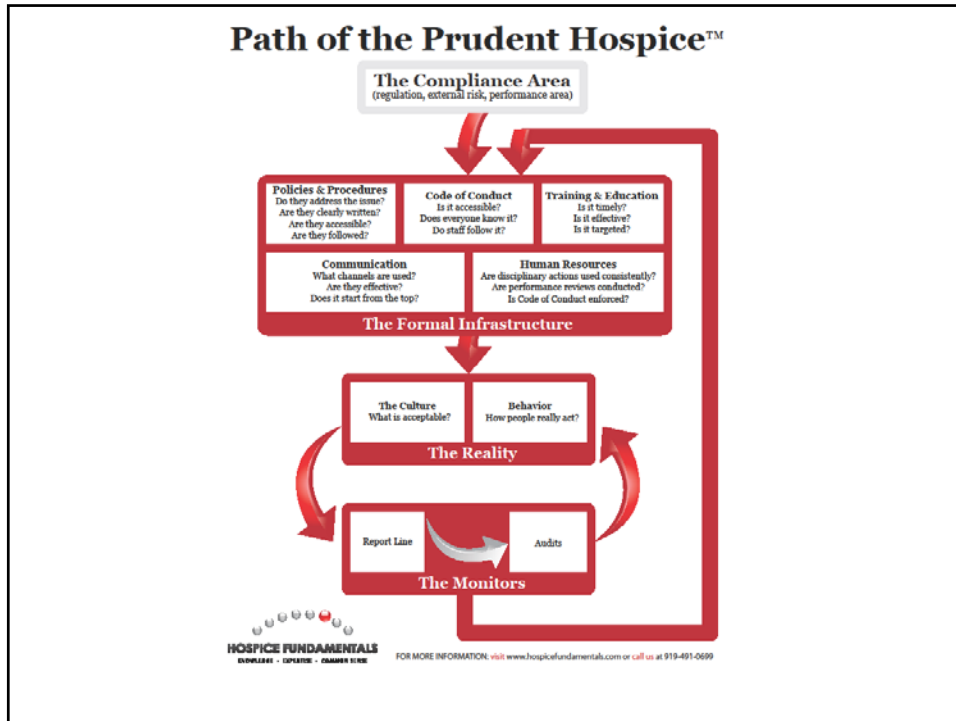
Readiness Component #2

1. Ability to identify & prioritize risks
2. Ability to respond to risks

Once a risk area is identified

- What regulations guide the area?
- How compliant are current operations?
- What changes need to be made?
- How will effectiveness of changes be assessed?
- How will individual compliance with changes be assessed?





Keep These Specific Dates in Mind

When	What
3/1/2013	Part D & Hospice Policy Changes Effective
4/1/2014	Additional Data Elements Reporting
7/1/2014	Hospice HIS (Admission & Discharge)
10/1/2014	ICD-10-CM Coding Limitations on Primary Hospice DX

Summing It All Up

1. Assess external and internal risks
2. Prioritize
3. Evaluate readiness using the Path of the Prudent Hospice
4. Establish work plan
5. Adjust plan as needed

