Meal and Rest Period Issues

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- IRF coverage issues
  - Updated Benefit Policy Manual
  - Provider and Contractor Training
- SNF Reimbursement
  - Recalibration of case mix indices - October 2009
  - Introduction of RUG-IV - October 2010
- Post Acute Initiative
  - PAC demonstration
  - Bundling Initiatives
  - Value-based Purchasing
- Questions
Overview of the IRF Benefit

- Designed to provide intensive rehabilitation therapy
- in a resource intensive hospital environment
- for patients who, due to the complexity of their nursing, medical management, and rehabilitation needs
- require and can reasonably be expected to benefit from an inpatient stay and an interdisciplinary approach to the delivery of rehabilitation care.

Reasons for Updating the Policies

- Current policies are more than 25 years old.
- Policies were developed prior to the IRF PPS.
- Existing policies do not reflect current medical best practices.
- Existing policies led to differing interpretations among various stakeholders.

When Do the New Policies Take Effect?

New policies will **not** be applied retroactively.
Policy Development

- CMS work group consisting of general physicians, physiatrists, therapists, and nurses.
- Medical Directors from CMS/HHS, several FIs, QICs, and NIH
- Stakeholder/industry input through comments on the proposed rule and the IRF Report to Congress

New Focus of IRF Claims Review

- The emphasis is on the physician’s admission decision that the IRF can control rather than the patient’s rehabilitation trajectory, which may or may not be either predictable or controllable by the IRF.

Summary of the New Policies

Required Documentation (in the IRF Medical Record) for IRF Admissions to be Considered Reasonable and Necessary:
- Preadmission Screening
- Post-Admission Physician Evaluation
- Individualized Overall Plan of Care
- Physician Orders
- IRF-PAI included in medical record

Criteria for IRF Admissions to be Considered Reasonable and Necessary:
- Multiple Therapy Disciplines
- Intensive Level of Rehabilitation Services
- Ability to Participate in Intensive Therapy Program
- Physician Supervision
- Interdisciplinary Team Approach to Care
A comprehensive preadmission screening process is the key factor in initially identifying appropriate candidates for IRF care.
New Requirements for the IRF-PAI

➢ The IRF-PAI must be contained in the patient's medical record at the IRF.

➢ The information in the IRF-PAI must correspond with all of the information provided in the patient's IRF medical record.

Common Question:
In an inpatient hospital setting, why not require daily (or at least 5 days per week) physician visits?

Answer:
This requirement is specifically to ensure that IRF patients receive more comprehensive assessments of their functional goals and progress (in light of their medical conditions) by a rehabilitation physician with the necessary training and experience to make these assessments at least 3 times per week. Rehabilitation physicians or other physician specialties may treat and visit patients more often, as needed.

CMS Provider Training

➢ Provider training on the updated Benefit Policy Manual has been scheduled for November 12, 2009 at 2 PM.

➢ You can register for the training online at www.eventsvc.com/palmettoba/111209.
Where to Find Information on the New Policies

- Regulations—
  - FY 2010 IRF PPS final rule (74 FR 39762, pages 39788 through 39798)
  - 42 CFR §§ 412.622 (a) (3), (4), and (5)
- Manual—
  - Section 110 of the Medicare Benefit Policy Manual
- Internet—

Recalibration of case-mix indexes
FY2010 annual payment rates
RUG-IV classification model for FY 2011 implementation
  - 14 Day "Look-back" Period
  - Concurrent Therapy
  - ADL Index
  - Short Stay Policy
  - OMRAs
Swing beds quality monitoring
Non-therapy Ancillaries
Reporting Quarterly Staffing Data

*SNF PPS Final Rule*

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*SNF PPS Final Rule*
Recalibration of Case-Mix Indices

- The January 2006 refinements were intended to be budget neutral.
- Subsequent analysis showed that actual expenditure levels were substantially higher than projected.
- Excess payments = $-1.050 billion
- Effective October 1, 2010, CMS has adjusted the system prospectively to the intended levels.
SNF Market Basket Index update
- 2.2%
- +$690 million

Impact on FY 2010 Rates (recalibration + market basket)
- Net decrease 1.1%
- -$360 million

Implementation October 1, 2010
Based on STRIVE
Reflects current medical practice and staff resource use
Number of case-mix groups expands to 66 from 53
Update will be achieved in a budget-neutral adjustment subsequent to recalibration

Pre- vs. Post-admission Services (Section P MDS 2.0)
Are there significant differences in resource use among early-stay residents who received:
- No extensive services
- Pre-admission extensive services only
- Post-admission extensive services
Analysis of individuals with LOS < 7 days
Swing bed item set will include items for QMs, not just payment items

CMS will gather this data and analyze
- Is length of stay in swing beds adequate to measure outcomes
- Are these changes measurable and attainable
- Which measures are appropriate

NTAs currently reimbursed as part of the nursing component

Work is underway to identify ways of better linking NTA payments to resource use.

Potential criteria for prospective payments for NTA costs include:
- Information from available administrative data, i.e., data currently required on claims or MDS
- Case-mix adjusted
- Utilization of current data in National Claims History
- Costs would be based on an add-on NTA index to RUG case-mix groups
- Minimal number of payment groups to limit complexity
- Utilizes clinically intuitive and readily understandable payment groups
*PAC Demonstration*
- 25,000+ Assessments Collected
- Analysis phase just beginning
- Objectives:
  - Payment reform
  - Revise single setting payment systems
  - Evaluate patient outcomes
  - Evaluate discharge placement patterns

*Bundling Post Acute Care*
- An administration priority

- Issues to consider
  - What services will be included in the bundle?
  - Who determines the type of post acute services needed?
  - How will payments be distributed?
  - How to integrate with other health care initiatives28(278,536)

Value-Based Purchasing
- A SNF demonstration started earlier this year and uses a combination of quality measures, staffing data and survey results.

- CMS is currently looking at establishing quality measures for IRFs that could then be tested in a value-based purchasing pilot.
*Web Sites*

- [http://www.cms.hhs.gov/SNFPPS/LSNFF/list.asp#TopOfPage](http://www.cms.hhs.gov/SNFPPS/LSNFF/list.asp#TopOfPage)
- [http://www.cms.hhs.gov/SNFPPS/10_TimeStudy.asp#TopOfPage](http://www.cms.hhs.gov/SNFPPS/10_TimeStudy.asp#TopOfPage)

Questions?