




**What Every Case Manager Needs To Know
About Revenue Cycle**



 **Overview**

- Identification of the Revenue Cycle
- Understanding Home Health Episodic Reimbursement
- Role of Case Mangers in Episodic Management
- Role of Case Mangers in Expense Management



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What is Revenue Cycle?

What is Revenue Cycle?

- Intake
- Insurance Verification
- Authorization
- Scheduling
- Patient Management
- OASIS Completion
- Document Management
- Supply/Drug/DME Management
- Billing and Collections
- Reporting

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What is Revenue Cycle?

How Does Clinical Impact Revenue Cycle?

- Verification of Information at Patient Visit
 - Demographic Information
 - Insurance Information
- Authorization
 - Provide visits as authorized
 - During right time frame
 - Documentation to support visits
 - Request additional visits in advance

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What is Revenue Cycle?

How Does Clinical Impact Revenue Cycle?

- Document Management
 - Timely completion and submission of documentation
 - Documenting in the home
 - Accurate and timely OASIS
 - Timely responses to QA
 - Complete POC and verbal orders with correct MD
- Supply Management
 - Right supplies in the right amount
- Billing and Collections
 - Timely submission of documentation
 - Timely responses to requests
 - Documentation to support medical necessity prevents denials

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Episodic Management:
Part 1- Understanding Episodic Reimbursement

What is Episodic Management

Episodic Reimbursement

- Reimbursement is on a 60 day episode based on:
 - Completed OASIS Assessment
 - Calculate HHRG Score (Home Health Resource Group)
 - Three components:
 - Clinical – ICD10 diagnosis, clinical conditions such as incontinence, IV, enteral/parenteral therapy; wounds etc
 - Functional – ADLS (bathing, dressing, toileting, transfer and ambulation
 - Service Score – Therapy Visits Projected


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What is Episodic Management

Episodic Reimbursement

- HHRG continued....
 - HHRG score converts to C1F1S1 to C3F3S5
 - Question C1F1S1 as being homebound
 - C3F3S5 – Multidiscipline high clinical care and dependent for ADL
 - The HHRG score is then converted to case mix score (average 1.04)
- Nonroutine Supplies have 6 levels
- HIPPS Codes
 - Created from HHRG and reported on the claim


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 **What is Bundled Billing?**

Episodic Reimbursement Covers:

- All clinical services provided
 - If patient receives outpatient therapy – Outpatient can not bill while under HH episode - the HHA would be responsible
 - Swallowing Studies – HHA responsible for Speech Therapy Part of Exam
 - Whirlpool treatments for wounds – HHA would be responsible
- Medical supplies but not DME
 - Ostomy supplies
 - Catheter supplies
 - Wound Care supplies
 - Ted Stockings
 - Disposable Wound Vac
 - Lab supplies


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 **What Are Billing Requirements**

Claim Submission:

- Request for Anticipated Payment (RAP)
 - Submitted once OASIS and 485/Plan of Care is completed and one billable visit
 - Agency receives 60% of episodic reimbursement at SOC
 - At Recertification agency receives 50% of episodic reimbursement
 - OASIS must be submitted within 30 days
 - Benchmark for submitting RAP is 5 to 7 days

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 **What Are Billing Requirements**

Claim Submission:

- Final Claim
 - Submitted at end of episode (discharge or recertification)
 - Face to Face Encounter is completed
 - All services provided must have physician orders
 - All physician orders must be back signed by physician
 - Benchmark for submitting Final is 10 to 15 days

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What Are Revenue Adjustments?

- LUPA – Low Utilization Payment Adjustment
 - Episodes with less than five visits
 - Reimbursement changes to per visit basis
 - SN - \$143.40
 - PT - \$156.76
 - OT - \$157.76
 - ST - \$170.38
 - SW - \$229.86
 - HHA - \$64.94
 - Impact example
 - Episode Reimbursement is \$2400
 - Agency provided 3 SN and 1 PT visit
 - New LUPA reimbursement is \$586.96
- Therapy Utilization
 - Based on number of therapy visits provided vs M2200 projected number of visits

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What Are Revenue Adjustments?

- Partial Episodic Payment
 - Occurs when:
 - Discharge and readmission to same HHA within 60 day certification period
 - Discharged and admitted to another HHA within 60 day certification period
 - Patient coverage changes from traditional Medicare to Medicare Advantage during 60 day certification period
 - Payments are pro-rated based on number of days between first and last billable visit
 - Example:
 - PPS Amount \$2425.00
 - First billable to Last Billable 43 days
 - $(2425/60) \times 43 = \$1737.92$

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What Are Revenue Adjustments?

- Outliers
 - Episodes whose cost exceeds the PPS rate by the fixed loss threshold (55%)
 - Outlier payment is equal to 80% of the cost exceeding that threshold
 - Accounts for number of visits/episode and length of visits in 15 minute increments
 - Outlier Cap – 10% of total payments
- Common Outlier Episodes
 - High SN and HHA visits
 - Insulin administration
 - Complicated Wound Care

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 **What Are Revenue Adjustments?**

- Quality Reporting
 - Failure to report results in 2% reduction each episode following year
- Sequestration
 - 2% every episode
- Value Based Purchasing
 - + or - 6-8% of reimbursement per episode

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Episodic Management
Part 2: Case Manager's Role


 **Episodic Management**

---| **Definition**

Ongoing proactive process of patient care management during the 60 day episode period

- Includes Assessments
- Care Planning
- Visit/Discipline Utilization
- LUPA management
- Recertification


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 **Episodic Management**

---| **Assessment**

- OASIS
- Fall Risk
- Braden Scale
- Pain
- Depression
- Rehospitalization
 - Fall Risk, Braden Scale, Pain, Depression, Rehospitalization
 - Caregiver Support
 - Past Experience with Home Health
- Caregiver Availability
- Prior History
- Discipline Evaluations


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 **Episodic Management**

---| **Care Planning**

- Visit Frequency
- Interventions/Education
- Goals of Care
 - Patient goals
 - Agency goals
- Challenges to meet outcome goals
- History of goal achievement


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
 **Episodic Management**

---| **Visit/Discipline Utilization**

- Visit Frequency
 - Frontloading
 - Tapering visits
 - HHRG – F2 or F3 need therapy
 - Home Health Aide – Consider OT
- Case Conferencing
 - Minimum every 2 weeks
 - Focus on progress to goals
 - Interdisciplinary support
 - Discharge planning
 - Recertification
 - What are you going to be doing differently next episode

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 Episodic Management


 **LUPA**

- To Take Under Care or Not Take Under Care???
- Is patient homebound
- Is patient safe at home
- Is patient willing to allow visits by all disciplines
- Is patient able and willing to follow plan of care
- Is this the right setting for patient
- Visit Frequencies
- Are you doing at least 2 visits first week
 - What about Wednesday/Thursday admissions
- When are evaluations scheduled
- Recertifications
- Is patient in agreement with recertification plan

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Expense Management

 Expense Management

 **Supplies**

Does Your Agency?

- Utilize Formulary?
- Evaluate Formulary at least yearly ?
- Have "Rules" for quantity or cost requiring approval?
- Provide limited choices for ostomy supplies?
- Utilize "generic" supplies?
- Review supply invoices monthly?

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Expense Management

Supplies

Case Managers

- How often do you order supplies?
- How do you determine frequency or amount to order?
 - No more than 2 weeks of supplies at a time
 - No loading up at discharge
 - Need to count how many 4x4 etc. for each dressing change
- Do you inventory current supplies in patient home?
- How do you determine right wound care product at the right time?
- How do you charge out car stock?
- How often do you check expiration dates?

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Supply Management



the PRICE IS RIGHT

Expense Management

Price is Right

1	2
	
\$28.99 for 10 bags	\$61.47 for 5 bags

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Expense Management

Price is Right

<p>1</p>  <p>Saline Wound Spray</p> <p>\$6.60 each</p>	<p>2</p>  <p>Saline 100 ml bottle</p> <p>\$1.29 each</p>
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Expense Management

Price is Right

<p>1</p>  <p>Brand Name Bandage Roll</p> <p>\$2.53 each</p>	<p>2</p>  <p>Generic Brand Bandage Roll</p> <p>\$0.68 each</p>
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Glimpse Into The Future

PDGM – 2020

- Patient Driven Groupings Model
- CY19 Final Wage Index Rule – finalized PDGM on 10/31/18
- Eliminates therapy thresholds and Non Routine Supply add on
- Reimbursement calculated on the following:
 - Episode timing – early vs late
 - Admission source – community vs institution
 - Six clinical groupings
 - Neuro/Rehab, Wounds, Complex Nursing, MS Rehab, Behavioral Health, MMTA (Medication Management, Teaching & Assessment)
 - Functional level
 - Comorbidity adjustment: secondary diagnosis
- Billing cycle changes to 30 day periods
- OASIS timing remains unchanged

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Questions?

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