



An Informational Bulletin Brought To You By Polaris Group

Proposed Changes to the Hospital Inpatient Prospective Payment Systems

Proposed Changes to the Prospective Payment System and Rate Year 2010 Rates

CMS issued a proposed rule on May 22, 2009 proposing to revise the Medicare hospital inpatient prospective payment systems (IPPS) for operating and capital-related costs of acute care hospitals to implement changes arising from our continuing experience with these systems, and to implement certain provisions made by the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA, Pub. L. 110-275) and the American Recovery and Reinvestment Act of 2009 (ARRA, Pub. L. 111-5).

1. **CMS Proposed Rule** for Long-Term Acute Care Hospitals (LTAC) for fiscal year 2010 on May 1, 2009. Once finalized the policies and payment will be effective beginning October 1, 2009.
2. **CMS Proposed Rule** for skilled nursing facilities on May 1, 2009.

SUMMARY: This proposed rule would update the payment rates used under the prospective payment system for skilled nursing facilities, for fiscal year 2010.

In addition, it would recalibrate the case-mix indexes so that they more accurately reflect parity in expenditures related to the implementation of case-mix refinements in January 2006. It also discusses the results of our ongoing analysis of nursing home staff time measurement data collected in the Staff time and Resource Intensity Verification project (RIVP), and proposes a new RUG-IV case-mix classification model that will use the updated Minimum Data Set (MDS) 3.0 resident assessment for case-mix classification.

To read the entire article:

<http://www.polaris-group.com/news.asp>

MDS 3.0 Implementation Timeline

The long awaited **timeline for MDS 3.0 implementation** was released in April, 2009. The timeline reflects CMS' intention to fully implement the 3.0 by October 1, 2010.

Please Note: The version which was posted is only a draft , and therefore should not be used for training purposes. The final version of the item set, data specifications, and Resident Assessment Instrument (RAI) manual are scheduled for publication on the MDS 3.0 web, will be posted as per guideline, which will include the specifications as well as the RAI user's guide will be released in October , 2009. The formalized training schedule will be released in February or March of 2010.

To read the entire article:

<http://www.polaris-group.com/news.asp>

**First Coast Service Options (FCSO) ,(J9 MAC) for Puerto Rico, the U.S. Virgin Islands and Florida released Accreditation for DMEPOS providers and suppliers
Reminder.....May 26,2009**

Effective date: March 1, 2009

Implementation date: N/A

Summary

This article is a reminder for DMEPOS (durable medical equipment, prosthetics, orthotics, and supplies) providers and suppliers enrolled in the Medicare Part B program regarding the requirement to obtain accreditation by September 30, 2009.

A DMEPOS supplier's Medicare Part B billing privileges will be revoked on October 1, 2009, if the DMEPOS supplier fails to obtain accreditation by September 30, 2009.

To read the entire article:

<http://www.polaris-group.com/news.asp>



**Five Star Quality Rating Systems –
May , 2009 News**

The special Focus Facility (SFF) list for May 2009 was released on May 22, 2009 by CMS. The following is an over view of April list compared to Mays list

Table A - New Additions: There are **26** for this month in comparison to **24** in April 2009. These are nursing homes newly added to the SFF initiative (but which have not yet had a standard survey since being added to the list).

Table B – Not Improved: There are **48** for this month, in comparison to **44** in April **2009**. These are nursing homes that have failed to show significant improvement despite having had the opportunity to show improvement in at least one survey after being named a **SFF** nursing home.

Table C - Improving: There are **62** homes this month in comparison to **65** in April. These are nursing homes that shown significant improvement, as indicated by the most recent survey, and CMS is waiting to see if the improvement continues over time .If improvement continues, these nursing homes will graduate from the SFF list.

Table D- Recently Graduated: There are **34** homes this month in comparison to **31** in April. Theses are nursing homes that not only improved, but they sustained significant improvement for about 12 months (through two surveys). CMS congratulate these nursing homes and list their names as **“graduates”** for a few months after they graduate so that anyone who has been tracking their progress will be informed.

Table E- No Longer in Medicare and Medicaid: There are **5** homes this month in comparison to **4** in April. These are nursing homes that were either terminated by CMS from participation in Medicare and Medicaid within the past few months, or voluntarily chose not to continue such participation. In most cases the nursing homes will have closed,

although some nursing homes that leave Medicare later seek to show better quality and re-enter the Medicare program after demonstrating their ability to comply with all Federal health and safety requirements.

To read the entire article:

<http://www.polaris-group.com/news.asp>

**Part B Hospice Modifiers
GV and GW**

When hospice coverage is elected, the beneficiary waives all rights to Medicare Part B payments for services that are related to the treatment and management of his terminal illness during the period his hospice benefit election is in force, except for professional services of an “attending physician” who is not an employee of the designated hospice and does not receive compensation from the hospice for those services.

For purposes of administering the hospice benefit provisions, an “attending physician” means an individual who is a doctor of medicine, doctor of osteopathy or a nurse practitioner and is identified by the individual at the time he elects hospice coverage as having the most significant role in the determination and delivery of his medical care. The attending physician is not an employee of the hospice and does not receive compensation from the hospice.

To read the entire article:

<http://www.polaris-group.com/news.asp>

**Attorney General Holder and HHS Secretary
Sebelius Announce New Interagency Health
Care Fraud Prevention and Enforcement
Action Team**

Attorney General Eric Holder and Health and Human Services (HHS) Secretary Kathleen Sebelius announced on Wednesday, May 20, 2009 the creation of a new interagency effort, the



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Health Care Fraud Prevention and Enforcement Action Team (HEAT), to combat Medicare fraud. Holder and Sebelius also announced the expansion of Strike Force team operations to Detroit and Houston. Medicare Fraud Strike Forces, currently in operation in South Florida and Los Angeles, fight Medicare fraud on a targeted local level.

To read the entire article:

<http://www.polaris-group.com/news.asp>

Q & A
“Where No Question Goes Unanswered!”

Q: What exactly does the “coverage limitation” defense encompass for a group health plan-related Medicare Secondary Payer (MSP) debt?

A: A beneficiary, who has employer plan coverage that is obligated to be a primary payer, may have had services not covered by the employer’s plan. This would mean that the services are not the responsibility of the employer’s plan. If properly documented, this would be a valid defense to the debt associated with those services. Proper documentation would consist of the following:

- A copy of the individual claim with the non-covered services annotated;
- Date of the original demand letter containing the claim;
- Associated debt identification number; and
- Copy of plan documents (e.g., Employee Services Handbook, Member Services Booklet, etc.) that establishes that the services are not covered under the plan with the applicable coverage terms annotated.



TELECONFERENCE TRAININGS

Polaris Group is pleased to present the following **CEU approved** teleconference trainings

Live Teleconference Trainings

<u>Topic</u>	<u>Date</u>
CMS F-Tag Review	6/4
Writing a Plan of Correction	6/4
Survey Process, Preparation & Management	6/11
Quality Indicator Survey Process	6/11
Working the RAPs	6/18
Pressure Ulcer Prevention & Management	6/18
How to Select the Best CPT Code	6/23
Tame the Care Plan Monster	6/25
Fall Prevention & Management	6/25

*Please join us in our Teleconferences .
For further information regarding these seminars, please contact the Seminar Department at: 800-275-6252 ext. 233 or register at: www.polaris-group.com*



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