MARTIN HEALTH SYSTEM

AAHAM SOUTH FLORIDA CHAPTER

CMS 1455-R

Are You Recouping Your Losses?

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hope at every turn

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a *LITTLE* history:

- Providers seeing overturned appeals at ALJ
- Only 65 ALJs in the country
- Over 275,000 appeals currently in queue to be heard by ALJs
- Currently, still getting about 5000 requests per week

- ALJ decisions allowing payment for services are contrary to CMS payment policies
- CMS must abide by the ALJ ruling to process outpatient claims
- Resulted in extremely labor intensive process for MACs and Providers to get an ALJ "services approved as outpatient" claim paid

And so comes CMS 1455-R and 1455-P:

- Allows a process for rebilling claims as part B for all outpatient services
- Provides guidance for providers to withdraw appeals
- Instructs appeal adjudicators that the scope of review is for a claim before them and may not order payment for items not yet billed.

Why a ruling and a proposed reg?

- The ruling goes against current policy on part B billing by
    1. Allowing all services to be rebilled
    2. Allowing rebilling outside of timely filing

Which Claims?... Only Inpatient Medical Necessity Denials

- Any Medicare Review contractor claim
- Any claim which the denial was made while the ruling was effective
- Final Rule – any stay with an admission prior to 10/1/13 but denied after 10/1/13

Which Claims?... cont.

- Any claim still in the appeals process (pending with an appeal adjudicator)
- Any claim that is still in the window for a timely appeal submission (120, 180, 60 days, etc)

Billing Requirements

- Appeal must be completed or withdrawn
  - Fax requests to FCSO at 904-361-0303
  - Written Requests to Maximus at the Appeal address
    - Recommend envelope labeling that it is a withdraw
  - Written Requests to ALJ by form
    - available at OMHA website, form HHS-730

Billing cont.

- All services can be billed EXCEPT those that are by definition "outpatient"
  - Observation hours
  - Emergency Department services
  - Clinic Outpatient

Billing cont.

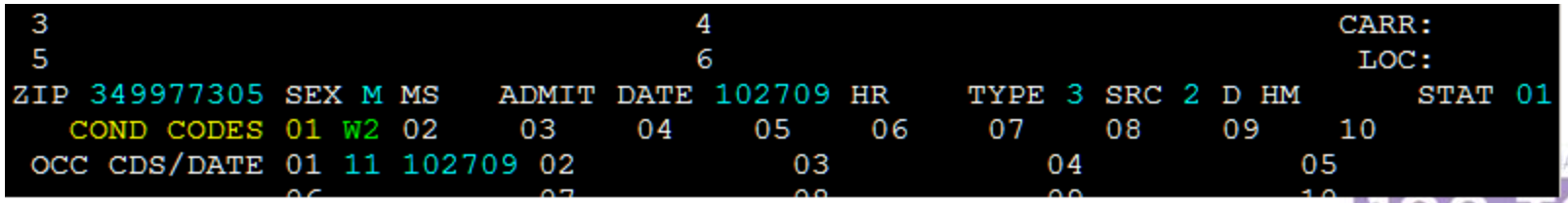
- 121 Bill type
  - All services during Inpatient stay can be billed
    - Yes, beyond the normal part B billing revenue code restrictions
- 131 Bill Type
  - For observation, outpatient clinic, ED charges
  - For charges that were bundled for 3 day payment window

Billing cont.

- 121 Bill Type

  Three easy additions:

  1. **W2 Condition Code**
     - Identifies the claim as duplicate of a previously denied inpatient claim.
     - Acts as an attestation that all appeals are complete and any previous appeal in final or binding



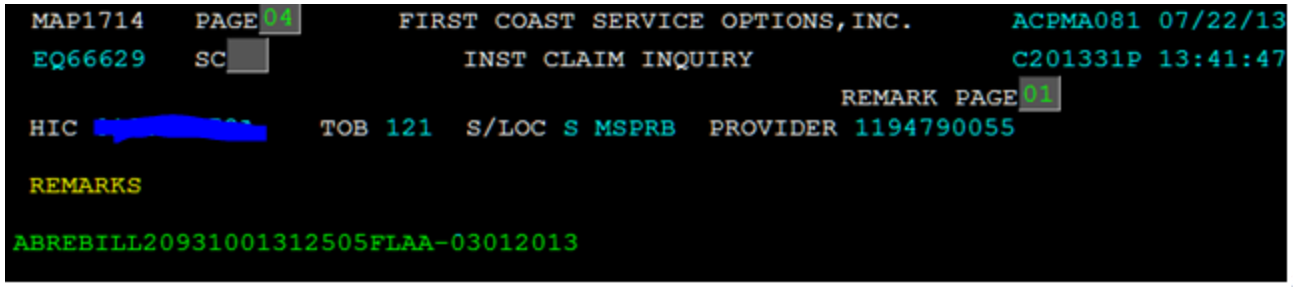
Billing cont.

2. **Authorization field: "A/B Rebilling"**
   - Loop 2300 REF02 (REF = G1) as follows:

   REF*G1*A/B Rebilling~

Billing cont.

3. **Remarks field**:
   - ABREBILL12345678901234-99999999
   - Billing Notes loop 2300/NTE in the format: NTE*ADD*ABREBILL12345678901234-99999999~
   - "ABREBILL" + DCN "-" + Last Adjudication Date



Billing cont.

- 131 Bill type
  - Only #2 and #3 from above
    - No W2 condition code

Which ones?

- Expense of Appeal vs Loss of full DRG
- Full DRG in 2-3+ years vs. APC payment now

Lowest Hanging Fruit

- One day surgicals where the surgery is not "inpatient only"
- One to two day medicals that were discharged home and are not undeniably inpatient (low chance of successful appeal)

DRG vs APCs

- All of the DRGs rebilled (and even selected by the RAC to be begin with) are **no CC, no MCC DRGs**
- $$'s do not include interest recouped

- **581 - OTHER SKIN, SUBCUT TISS & BREAST PROC**
  - Mastectomies

Average DRG recouped: $4,068

Average Outpatient repayment: $4,254

Repayment : 104.6%

- **352 - INGUINAL & FEMORAL HERNIA PROCEDURES**

Average DRG recouped: $3,624

Average Outpatient repayment: $3,762

Repayment : 103.8%

- **479 - BIOPSIES OF MUSCULOSKELETAL SYSTEM & CONNECTIVE TISSUE**
  - **Kyphoplasty**

Average DRG recouped: $6,724

Average Outpatient repayment: $6,966

Repayment : 103.6%

- **470 - MAJOR JOINT REPLACEMENT OR REATTACHMENT OF LOWER EXTREMITY**
  - **Partial Knees (Makoplasty)**

Average DRG recouped: $6,170

Average Outpatient repayment: $6,373

Repayment : 103.3%

- **491 - BACK & NECK PROC EXC SPINAL FUSION**
  - **Laminectomies**

Average DRG recouped: $4,446

Average Outpatient repayment: $4,526

Repayment : 101.8%

- **355 - HERNIA PROCEDURES EXCEPT INGUINAL & FEMORAL**
  - **Ventral Hernia repairs**

Average DRG recouped: $4,823

Average Outpatient repayment: $4,867

Repayment : 100.9%

- **670 - TRANSURETHRAL PROCEDURES**
  - **TU's other than Prostate**

Average DRG recouped: $3,156

Average Outpatient repayment: $2,717

Repayment : 86.1%

- **714 - TRANSURETHRAL PROSTATECTOMY**
  - **TURPs**

Average DRG recouped: $2,522

Average Outpatient repayment: $1,906

Repayment : 75.5%

Notables

- 134 - OTHER EAR, NOSE, MOUTH & THROAT O.R. PROCEDURES
  - Palate repair
  - Average Repayment: **81.9%**

- 696 - KIDNEY & URINARY TRACT SIGNS & SYMPTOMS (cysto with lithotripsy)
  - Average Repayment: **80.2%**

- 247 - PERC CARDIOVASC PROC W DRUG-ELUTING STENT
  - Average Repayment: **72.3%**

- 254 - OTHER VASCULAR PROCEDURES
  - Average Repayment: **58.9%**

- 419 - LAPAROSCOPIC CHOLECYSTECTOMY W/O C.D.E.
  - Average Repayment: **39.0%**

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Thank You!

Questions and Discussion

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