

North Carolina



Current Information on North Carolina Case Mix Reimbursement

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The North Carolina News is a publication produced under contract with The North Carolina Division of Medical Assistance by Myers and Stauffer LC 9265 Counselors Row, Ste. 200 Indianapolis, IN 46240

The North Carolina News is published to keep all interested parties current on North Carolina Case Mix Reimbursement. Its goal is to provide information on major issues, work groups, and upcoming activities. The articles presented here are only a synopsis of the topics and are not intended to present a complete analysis of the issues.



State RAI Coordinator
(919) 855-4557

MDS Education
Coordinator
(919) 855-4554

MDS Automation
Coordinator
(919) 855-4529

MDS Clinical and
Automation Questions
Help Desk
(919) 855-4583

MDS Validation
Coordinator
(919) 855-4354

Medicaid Case Mix
Manager
(919) 855-4355

Case Mix and Medicaid
CMI Report Questions
Myers and Stauffer
(800) 763-2278

MDS 3.0 Update

The Final Rule for SNF PPS was published in the Federal Register, dated August 11, 2009. This final rule updates the payment rates used under the PPS for skilled nursing facilities for fiscal year 2010. In addition it:

- Recalibrates the case-mix indexes so that they more accurately reflect parity in expenditures related to the implementation of case-mix refinements in January 2006.
- Discusses the results of our (CMS) ongoing analysis of nursing home staff time measurement data collected in the Staff Time and Resource Intensity Verification project, as well as new Resource Utilization Groups, version 4 case-mix classification model for FY 2011 that will use the updated Minimum Data Set 3.0 resident assessment for case-mix classification.
- Discusses the public comments that we (CMS) have received on these and other issues, including a possible requirement for the quarterly reporting of nursing home staffing data, as well as on applying the quality monitoring mechanism in place for all other SNF PPS facilities to rural swing-bed hospitals.
- Revises the regulations to incorporate certain technical corrections.¹

It is anticipated that the final MDS 3.0 assessment, MDS 3.0 User's Manual, final MDS 3.0 data specifications, assessment types and discharges will be released in October 2009. In addition, more information regarding CAT triggers and QM/QIs are expected to be released October 2009.

¹Federal Register/Vol. 74, No. 153/Tuesday, August 11, 2009/Rules and Regulations

Stay Informed

If you would like to be among the first to receive seminar notifications, newsletters, resources available, etc., please send an email to NCHELPDESK@mslc.com to subscribe to our notification list. When sending your message, please type "subscribe" in the subject line. In the body of the message, please include your full name, title, phone number and facility/company name.

This email address may also be used for submitting general questions (not containing PHI) to the Myers and Stauffer Help Desk. Please be sure to provide all of your contact information to ensure a speedy response.

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Top 10 Steps in Proofing the Preliminary CMI Report



- Step #1 Identify all BC1 assessments and determine the cause. Then take action.
- Step #2 Transmit any missing assessment(s) for a resident that was in the facility on or prior to the last day of the quarter.
- Step #3 Review and confirm that all residents listed on the report were in the facility on or prior to the last day of the quarter.
- Step #4 Transmit a Discharge record for any resident listed on the report that was not in the facility as of the last day of the quarter.
- Step #5 Identify and review all Note identifiers in the Note column.
- Step #6 Review the final page of the CMI report and reconcile that the number of total residents in the RUG-III distribution totals column are equal to the total number of residents in the facility as of the last day of the quarter.
- Step #7 Verify that any corrections to the payment source are documented in your internal records, and noted in the "Payment Source Correction" column as either "Medicare", "Medicaid", "Medicaid-Pending" or "Other".
- Step #8 Call the Myers and Stauffer technical help desk for any questions regarding the CMI report and or case mix questions at 1-800-763-2278.
- Step #9 Call Mary Maas at Facility Services for any MDS coding clarifications at 1-919-855-4554.
- Step #10 Refer to the North Carolina Monthly Report Schedule calendar for correction deadlines.

MDS Coordinator Best Practices

Case Mix Report Checklist

- Retrieve and check the CMS validation report as soon after transmission as possible.
 - Check for fatal errors and warnings.
 - Verify that the assessment date and reason (i.e. AA8a and AA8b) are as intended.
 - Review the RUG-III code to ensure it matches the resident's condition.
 - Research and correct any error to ensure it will not cause further problems on CMI reports or future assessments.
 - Call the MDS help desk or the Myers and Stauffer help desk if unsure how to correct the error.
- Once you receive the Preliminary CMI report, review the following:
 - Verify the assessments listed on the Preliminary CMI resident roster match what is in the facility's records for the same time period.
 - Transmit any missing assessments that did not appear on the Preliminary CMI report or verify the assessments sent after the transmitted date has been accepted.
 - Call on any discrepancies or problems before trying to correct a situation if uncertain.
 - Note unexpected changes in a resident's RUG-III classification from one assessment to the next. This could aid in identifying coding errors in the assessment.
- Final version of the CMI Resident Roster report.
 - Review and store reports for future verification purposes.



Proactive Steps

- Check CMS validation reports and correct as problems arise.
- Transmit at least once a week.
- Create a backup of computer data and test to make sure it can be used in case of computer failure.
- Make sure that 2 facility staff have a personal user ID and password to the CMS MDS server and user ID and password for the MDCN (AT&T Global Networking Services - AGNS).
- Check the Bulletin area on the CMS server at least once a month for new memos and updates.
- Develop a program to meet Medicaid review standards of documentation.



Payor Source Corrections

Accurate M D S assessment

data is an essential component of the case mix reimbursement system; therefore the Division of Medical Assistance (DMA) requests your review of the CMI Report to accomplish the following:

- Verify that all residents in the facility on the Point in Time Date are represented on the CMI Report.
- Verify that the CMI Report does not include residents discharged on or prior to the Point in Time Date and remained out of the facility.
- Verify that the CMI Report reflects the most current MDS assessment as of the Point in Time Date for each resident.
- Verify that each resident's name is correct.
- Evaluate the reasons associated with any BC1 code.
- Any missing assessments must be electronically transmitted by the due date on CMI letter to be included on the Final Case Mix Index Report.
- Verify that any corrections to the payment source are documented in your internal records, and noted in the "Payment Source Correction" column as either "Medicare", "Medicaid", "Medicaid-Pending" or "Other". Please note that if a new assessment is transmitted after the preliminary roster cutoff date, then the assessment and payment source shown on the final resident roster will reflect the payment

source associated with this new assessment.

- Verify that the payment source for Hospice and Brain Injury residents is reported as "Other", since these residents are reimbursed by Medicaid outside of the case mix system.
- Any residents having payor source corrections not displayed on the Preliminary report, but should be included, must be added to the last page of the Preliminary report. All inclusions must contain: 1) resident's legal name, 2) resident ID or social security number, 3) corrected payor source.
- Only payment source changes are to be written on the Preliminary Case Mix Index Report.

If you determine that the CMI Report includes or excludes residents in error, or does not reflect the most current MDS assessment, please verify that the assessment or discharge has been accepted per the final validation report from the CMS system. If you feel you have experienced a transmission error, please contact the MDS Help Desk at (919) 855-4583.

After your review and payment source corrections have been completed, please sign the certification statement and send (even if no changes are noted) the entire signed CMI Report to Myers and Stauffer LC at:

Myers and Stauffer LC
9265 Counselors Row, Suite 200
Indianapolis, IN 46240-6419

*Questions can be addressed to
Myers and Stauffer's Help Desk
at 800-763-2278.*

Resources on the WEB

As you may already know, the Myers and Stauffer website contains a number

of helpful resources for nursing home providers and MDS coordinators. To access this location of our website, go to <http://nc.mslc.com> and click on "Resources". The types of resources currently available include:

- Current and past issues of the *North Carolina News* newsletter
- Data collection tools for ADLs, behavior symptoms, impaired cognition, and more current Supportive Documentation Guidelines
- RUG-III CMI Tree
- 2009 CMI Listing Report & Transmission Schedule calendar (Stay tuned for the 2010 schedule to be posted in the coming months)



We hope you will utilize these valuable resources. We also welcome feedback and suggestions on how we can improve this section of our website even further.

Please email any suggestions to nchelpdesk@mslc.com.

Handle With Care

Reminder: Resident information (such as name, birth date, social security number, etc.) is considered Protected Health Information (PHI). Fax and email are not secure formats for communicating this type of sensitive information. Please consult your HIPPA Security Officer for more information.



Medical Record Correction

The Division of Medical Assistance has adopted a policy for medical record corrections related to acceptance of supporting documentation for MDS validation reviews. This policy allows for minor changes or corrections to previously recorded documentation in the resident's status in accordance with standards of clinical practice and documentation. This policy was effective January 1, 2008. Such monitoring and documentation is a part of the facility's responsibility to provide necessary care and services. However, it is important to remember that the medical record is the legal document. Changes made to the electronic or paper record maintained in the medical record after data transmission are not recognized as proper corrections.

Therefore, the Division of Medical Assistance has made provisions to allow proper corrections for the electronic record or paper record maintained in the medical record as follows:

- a) If an error is discovered on or after but within 7 days of the Assessment Reference Date (A3a) of an MDS and before submission to the State MDS database, the response may be corrected using standard editing procedures on the hard copy (cross out, enter correct response, initial, and date) and correction of the MDS record in the facility database. The resident's care plan should also be reviewed for any needed changes.
- b) Any corrections made including but not limited to the Activities of Daily Living (ADL) grid must have an associated note of explanation per correction.
- c) If a major error is discovered in a record in the State MDS database, modification or inactivation procedures must be implemented by the facility to assure that the database information is corrected.
- d) Clinical documentation corrections must also be made as necessary to assure that the resident is accurately assessed, the care plan is accurate, and the resident is receiving the care needed.
- e) A quarterly or summary note will not substitute for an occurrence correction.

- f) A standard medical correction consists of drawing a line through the incorrect information, entering the correct information, dating and initialing the change. Improper or illegible corrections will not be accepted for the review.

Electronic Record Correction

For facilities where an electronic correction feature is not available, the facility must correct each occurrence as described above on a hard copy generated from the electronic record. For example, when correcting ADLs, the ADL score itself is not appropriate to correct, but instead the occurrence where erroneous data was recorded/reported. The correction of the ADL score on the hard copy would not be recognized in the review process. Instead, the facility would need to correct the erroneous data (ADL shift) and **retain the corrected hard copy in the medical records.**



Dear Patty...



The "Dear Patty..." column is a regular feature in each issue of the *North Carolina News*. Patty Padula, Myers and Stauffer's RN consultant, will discuss questions that are frequently answered by our staff. We welcome your questions for future issues.


Dear Patty:

Q: Which assessments are used in calculating a facility's CMI?

A: Each resident in the facility, with a completed and submitted assessment on the last day of the quarter will be included on the CMI report:

- 3/31 includes assessments dated January, February and March
- 6/30 includes assessments dated April, May and June
- 9/30 includes assessments dated July, August and September
- 12/31 includes assessments dated October, November and December

Each assessment will classify into one of the 34 RUG-III classifications. ***Only the Medicaid assessments will be used to calculate the quarterly rate.***



Who Should I Call?

breakdown of each party's responsibilities below, however, you may call Myers and Stauffer initially if you are unsure of whom to contact and we will assist you in finding an answer to your question or direct you to the appropriate party.

Several different parties assist the assessment transmission and validation process. Myers and Stauffer LC has detailed the major



(DMA) Medicaid Case Mix RN Assistance

(919) 855-4354

Deana Dolan RN, MDS Validation Coordinator

Myers and Stauffer LC

(800) 763-2278 or (317) 816-4124

- Questions related to: Medicaid Case Mix RUG-III classification calculations, Preliminary or Final CMI listings report, MDS Validation Review.

North Carolina MDS Help Line

(919) 855-4557

Cindy DePorter, State RAI Coordinator

(919) 855-4554

Mary Maas, RN, MDS/OASIS Education Coordinator

(919) 855-4529

Sandra McLamb, MDS Automation Coordinator

- Questions related to the definition, completion or interpretation and regulation of the MDS 2.0, Resident Assessment Instrument. This line is provided by Division of Health Service Regulation (DHSR).

Medicare Date Communication Network

(MDCN) Helpdesk

(800) 905-2069

- Connection problems to MDCN (Medicare Data Communication Network)
- MDCN ID's and passwords



EDS - Provider Relations

(800) 688-6696

EDS - Provider Enrollment

(800) 688-6696

EDS - Long Term Care Unit

(800) 688-6696

REVS

(800) 723-4337

- Recipient Eligibility Verification System

Raven Help Desk

(800) 339-9313

- Questions about the RAVEN software