MDS 3.0 and MPPR

Mitigating the impact on
Therapy Reimbursement

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"While I can explain the meaning of life, I don't dare try to explain how the Medicare system works."

Agenda

- Why are we where we are today?
- MDS 3.0
  - Group/Concurrent Therapy
  - Start of Therapy OMRA
  - Seven Day facilities
  - End of Therapy OMRAs and EOT-R OMRA
  - Change of Therapy OMRA
    - Index Maximized Caveat
- Multiple Procedure Payment Reduction Policy (MPPR)

RUG-IV Group	Projected	Actual
RUC	3.56%	12.68%
RUB	3.26%	16.19%
RUA	2.12%	12.80%
RVC	5.49%	7.82%
RVB	7.17%	9.67%
RVA	8.61%	9.13%
RHC	6.34%	3.77%
RHB	7.09%	3.54%
RHA	11.41%	3.54%
RMC	4.95%	3.06%
RMB	6.84%	2.42%
RMA	8.74%	2.41%
RLB	0.21%	0.07%
RLA	0.23%	0.06%

CMS

The Result…

…Budget Cuts

Group Therapy

Group Therapy

- New definition:
  - Group therapy is defined as therapy provided simultaneously to four patients (regardless of payer source) who are performing the same or similar activities
- Facilities must **plan** group therapy sessions to include no more or less than four participants.

Group Therapy

Why CMS chose four participants?

- Larger groups make it difficult to manage all of the patients effectively.
- Smaller groups limit the ability of patients to interact and learn collectively.

Group Therapy Allocation

Question: What happens if one of the participants gets sick or refuses to show up?

Answer: As long as the facility had originally planned the session for four participants, then the group session can still be counted for the other group members.

Note: The minutes in this case will still be divided by four for each remaining participant.

Group Therapy Allocation

Allocation of Group Therapy Minutes

Effective for assessments with an ARD set on or after October 1, 2011, all group time reported on the MDS will be divided by four when determining each resident's appropriate RUG classification.

Unallocated group time reported on the MDS 3.0 is divided by four by the RUG-IV grouper and used for RUG Classification.

Group Therapy Allocation- Example

Four residents in SNF X participate in a group session for a total of 60 minutes.

Facility records 60 minutes of group therapy for each resident on each MDS. The unallocated group time is divided by four by the RUG-IV grouper. Allocated group therapy minutes (15 minutes) are then used to determine each patient's RUG classification.

Group Therapy Allocation

Group therapy cannot exceed 25% of the patient's Reimbursable Therapy Minutes (RTM) per discipline.

Group/Concurrent Therapy Documentation Requirements

Medical record and plan of care should include prescribed therapy type (individual, concurrent, group), discipline, rational for particular therapy regimen and who is providing the therapy (Clinician, assistant, student).

Concurrent Therapy

- New Definition:
  - Concurrent therapy is defined as the treatment of 2 residents at the same time, when the residents are not performing the same or similar activities, regardless of payer source, both of whom must be in line-of-sight of the treating therapist or assistant for Medicare Part A.

Co-Treatment

- New Definition:
  - For Part A: When two clinicians, each from a different discipline, treat one resident at the same time (with different treatments), both disciplines may code the treatment session in full. All policies regarding mode, modalities and student supervision must be followed. The decision to co-treat should be made on a case by case basis and the need for co-treatment should be well documented for each patient.

Reimbursable Therapy Minutes (RTMs)

- Therapy minutes that actually count towards the RUG score.

  - 100% of individual minutes*
  - 50% of concurrent minutes*
  - 25% of group minutes*

*for calculation see formula on right

$$\psi(x) \rightarrow \psi(x) + \varepsilon\varphi(x) \quad \leftarrow \{\text{A VARIATION } \varphi(x) \text{ IS ADDED}$$

$$\frac{\partial}{\partial\varepsilon}(\Delta x)^2(\Delta p)^2 = (\Delta p)^2\frac{\partial}{\partial\varepsilon}(\Delta x)^2 + (\Delta x)^2\frac{\partial}{\partial\varepsilon}(\Delta p)^2 = 0$$

$$(\Delta x)^2\left[\left(\frac{h}{4\pi}\right)^2\left(\frac{1}{\Delta x}\right)^4\frac{\partial}{\partial\varepsilon}(\Delta x)^2 + \frac{\partial}{\partial\varepsilon}(\Delta p)^2\right] = 0 \quad \{\text{UNCERTAINTY } \Delta p \text{ REPLACED BY (1)}$$

$$\frac{\partial}{\partial\varepsilon}\left[-\left(\frac{h}{4\pi}\right)^2\left(\frac{1}{\Delta x}\right)^2 + (\Delta p)^2\right] = 0 \quad \{(\Delta x)^2 > 0\text{, OTHERWISE}$$

$$\frac{\partial}{\partial\varepsilon}\left[-\left(\frac{h}{4\pi}\right)^2 4\int\left(\frac{d\psi(x)}{dx}\right)^2 dx + 2m\int(E-V(x))\,\psi^2(x)\,dx\right] = 0 \quad \{\text{USING (5) \& (6)}$$

$$-\left(\frac{h}{2\pi}\right)^2\int\frac{d\psi(x)}{dx}\cdot\frac{d\varphi(x)}{dx}\,dx + 2m\int(E-V(x))\,\psi(x)\,\varphi(x)\,dx = 0 \quad \{\frac{\partial}{\partial\varepsilon}\ \varepsilon=0\ (7)$$

$$\int\left[\left(\frac{h}{2\pi}\right)^2\frac{d^2\psi(x)}{dx^2} + 2m(E-V(x))\,\psi(x)\right]\varphi(x)\,dx = 0 \quad \{\text{INTEGRATION BY PARTS, } \varphi(x)=0 \text{ AT BORDERS}$$

$$\boxed{\frac{d^2\psi(x)}{dx^2} + 2m\left(\frac{2\pi}{h}\right)^2(E-V(x))\,\psi(x) = 0} \quad \{(11)=0 \text{ FOR ALL VARIATIONS } \varphi(x)$$

SCHRÖDINGER'S WAVE EQUATION

Reimbursable Therapy Minutes (RTMs)

- What counts for a day of therapy?
  - 15 minutes still counts as a day of therapy regardless of mode of delivery

Ex: 30 minute group counts as a day of therapy even though the RTMs for that day would be 7.5 minutes.

Start of Therapy

OMRA

SOT OMRA

- Optional assessment to capture the Rehab RUG when
  - Rehab started between assessments, or
  - Rehab started within regular assessment window in which not enough therapy was delivered for a Rehab RUG to be calculated.
- ARD for SOT OMRA is day 5, 6, or 7 after therapy starts and first day of therapy (day of eval). Day of evaluation counts as day 1

SOT OMRA

- Some non-Rehab RUGs pay at higher rates than Rehab RUGs and, therefore, the provider may opt not to do the SOT OMRA
- RUG-IV 66 Group Hierarchical classification index maximizing

SOT OMRA Example:

Sun	Mon	Tues	Wed	Thurs	Fri	Sat
PPS day 3	4	5	6	7 Therapy Eval	8	9 5 Day ARD
10	11 5 Window For SOT OMRA	12 6	13 7	14	15	16

Seven Day Facilities

For Medicare Part A purposes all SNF facilities are considered seven day per week therapy providers. A lapse in therapy of three consecutive calendar days requires an EOT/EOT-R OMRA.

End of Therapy (EOT) OMRA

And

End of Therapy- Resumption (EOT-R) OMRA

Three Day Policy

- EOT OMRA must be completed when a beneficiary classified in a RUG-IV Rehab Plus Extensive Services or Rehab group did not receive any therapy services for three or more consecutive calendar days **FOR ANY REASON**.

Three Day Policy

- ARD for EOT OMRA must be set for day 1, 2, or 3 from the date of the resident's last therapy session.
- For purposes of this policy, an EOT OMRA is expected to be completed for missed therapy days regardless of whether therapy is missed on a weekday, weekend, or holiday.

EOT-R OMRA

- May be used when the resident will resume at the **same therapy level as prior to the discontinuation of therapy**.
- Resumption of therapy must occur no **more than five days after the last day of therapy provided**.
- Will be effective for all EOT OMRA assessments with resumption with an ARD on or after October 1, 2011

EOT- R OMRA example

Sun	Mon	Tues	Wed	Thurs	Fri	Sat
Day 37	Day 38 Tx 100 mins	Day 39 Tx 100 mins	Day 40 Tx 100 mins	Day 41 Tx 100 mins	Day 42 1 **SICK** 0 mins	Day 43 2 No tx 0 mins
Day 44 3 No tx EOT OMRA 0 mins	Day 45 4 Possible EOT-R OMRA 100 mins	Day 46 5 Possible EOT-R OMRA 100 mins	Day 47 100 mins	Day 48 100 mins	Day 49 100 mins	Day 50

EOT Requiring SOT OMRA example

Sun	Mon	Tues	Wed	Thurs	Fri	Sat
Day 37	Day 38 Tx 100 mins	Day 39 Tx 100 mins	Day 40 Tx 100 mins	Day 41 Tx 100 mins	Day 42 1 **SICK** 0 mins	Day 43 2 No tx 0 mins
Day 44 3 No tx 0 mins EOT OMRA- Why??	Day 45 4 65 mins Possible EOT-R OMRA- Why?	Day 46 5 65 mins Possible EOT-R OMRA- Why?	Day 47 65 mins	Day 48 65 mins	Day 49 65 mins	Day 50

EOT and EOT-R OMRAs

If the EOT OMRA has not been transmitted by the resumption date only one EOT/EOT-R is required.

If the EOT OMRA has been transmitted a modification request must be completed filling out the resumption date and then retransmitted.

EOT-R Impact on Therapy

- If the EOT-R OMRA is completed then no therapy discharge is required
- The current POC continues

EOT to SOT OMRA Impact on Therapy

- If the EOT and SOT OMRA then a therapy discharge is required
- A new POC is developed

Change of Therapy (COT) OMRA

COT OMRA

- Resulted primarily due to facilities that ramp up during assessment window and decreasing when not in assessment.
- Scheduled every 7 calendar days after the most recent assessment (scheduled, SOT-OMRA, EOT-R OMRA, COT-OMRA, etc…)
- Completed if the patient qualifies for a Rehab RUG and the Rehab RUG score changes
- Resets the Rehab RUG score retroactively based on allowable minutes provided in the last 7 days

COT OMRA

- In order to determine if a COT OMRA is required, providers should perform an **informal** change of therapy evaluation that considers the intensity of the therapy the patient received during the COT observation period.

COT OMRA

- A COT OMRA is required is cases where the therapy received during the COT observation period would cause the patient to be classified into a **different** RUG category.

But what are the RUG categories?

- Ultra Rehab
- Very High Rehab
- High Rehab
- Medium Rehab
- Low Rehab
- Extensive Services

- Special Care High
- Special Care Low
- Clinically Complex
- Behavioral Symptoms and cognitive Performance
- Reduced Physical Function

COT- OMRA… How does it pay?

The COT OMRA retroactively establishes a new RUG beginning the day following the ARD of the resident's last PPS assessment until the next scheduled or unscheduled Medicare PPS assessment.

COT OMRA

Sun	Mon	Tues	Wed	Thurs	Fri	Sat
PPS day 24	25	26	27	28	29	30
1	2	3	4	5 30 day ARD	6 Day 1 Payment change for COT OMRA	7 Day 2
31	32	33	34	35	36	37
8 Day 3	9 Day 4	10 Day 5	11 Day 6	12 Day 7 COT OMRA ARD	13	14

When is a COT OMRA Required?

Is the patient receiving skilled therapy services AND are they currently in a therapy RUG score?

1. If no, then the COT OMRA is not required unless it will result in a therapy RUG paying higher than the current nursing RUG.
2. If yes, determine if the therapy the patient received during the COT observation period is consistent with the patient's current RUG-IV classification?
   a) If NO, then a COT OMRA is required.
   b) If YES, then no COT OMRA is required

COT OMRA Example

A resident's 30-day assessment is performed with an ARD set for Day 30. Based on the 30-day assessment ARD, the therapy service provided to this resident are evaluated on Day 37, but the RUG category remains the same. No COT OMRA is performed on Day 37.

Day 44, a different RUG category results. A COT OMRA must be completed with an ARD set for Day 44 and will change payment starting from Day 38.

COT OMRA and Index Maximization

Index maximization as it related to the COT: In some situations a resident may simultaneously meet the qualifying criteria for both a therapy and a non-therapy RUG. For some of the cases the RUG-IV per diem payment rate for the non-therapy RUG will be higher; therefore, although the resident is receiving therapy services, the index maximized RUG is a non-therapy RUG.

Index Maximization Grid

RUG IV Level	FY2012	FY2011
RMX	$ 545.24	$ 668.30
RHL	$ 530.14	$ 637.69
ES2	$526.77	$517.58
RML	$500.27	$611.49
RVC	$479.38	$551.51
RLX	$478.85	$593.60
ES1	$470.55	$426.34
RUA	$467.23	$512.75
HE2	$454.49	$446.56
HD2	$425.57	$418.15
RHC	$417.71	$487.76
RVB	$415.13	$467.86

COT OMRA and Index Maximization

A COT OMRA is only required for residents in such cases that the therapy services received during the COT observation period is no longer reflective of the RUG-IV category after considering index maximization.

Consider the following two examples:

Example 1

1. Resident qualifies for RMC but index maximizes into LE2. During the COT observation period, resident receives only enough therapy to qualify for RLB.

COT OMRA not required because there is no change to the index maximized RUG category

Example 2

2. Resident qualifies for RMC but index maximizes into LE2. During the COT observation period, resident receives enough therapy to qualify for RUB.

COT OMRA is required because of the change in the index maximized RUG category

Strategies to mitigate impact

- Add and d/c discipline on day 1 of the 7 day cycle
- Ramping up or down on day 1 of the 7 day cycle
- Individual over Concurrent or Group
- Concurrent over Group
- During last 6 days of therapy, ramp down.
- Schedule pts for therapy times to minimize missed visits
- Possibly extend LOS

Strategies to mitigate impact

- Possible weekend coverage to cover missed visits during the week.
- Physician's orders
  - Based on the potential to see patients more than 5 times per week we need to modify Physician's orders to meet this possibility.
  - "PT scheduled 5x/wk for ther-ex, ther-act, gait or up to 7 x/wk to meet the requirements of the POC for this individual."

Multiple Procedure Payment Reduction (MPPR) policy

MPPR- What is it?

- Reduction in payment of the "Practice Expense" component of the CPT code price by 25% (or 20% depending on setting)
- Each CPT code is made up of three components: Practice Expense, Liability Expense, and Labor Expense (plus GPSI)

MPPR- What is it? cont'd

- Assumptions:
  - Only 1 discipline treats per day
  - The "PE" pays for overhead and only needs to be paid for once
  - Problem?

MPPR- Examples

	2010	2011
97110	$28.66	$29.15
97110	$28.66	$25.74
97116	$25.39	$22.80
Totals	$82.71	$77.69

Providing the same treatment today that you did last year yields less revenue.

MPPR- Examples

	2011	2011-25%	Difference
97001	$71.79	$63.88	$-7.91*
97003	$78.50	$69.36	$-9.14*
92610	$102.97	$88.68	$-14.29*

Obviously, the higher paying codes, when reduced by 25% are impacted the most.

*If all codes were discounted

MPPR-Example One discipline

PT	full	discount	
97001	71.19	63.88	7.31
97116	25.79	22.8	2.99
97530	31.8	27.65	4.15
97112	30.48	26.74	3.74
Total for tx today with MPPR			148.38
Total for tx today without MPPR			159.26
Less revenue with same amount of labor			**-10.88**

MPPR-Example
Two disciplines with evaluations

PT	full	discount		OT	full	discount	
97001	71.19	63.88	7.31	**97003***	**78.5**	68.36	10.14
97116	25.79	22.8	2.99	97535	31.81	27.74	4.07
97530	31.8	27.65	4.15	97535	31.81	27.74	4.07
97112	30.48	26.74	3.74	97112	30.48	26.74	3.74
	Total for tx today with MPPR				301.79		
	Total for tx today without MPPR				331.86		
	Less revenue with same amount of labor				**-30.07**		

*Only highest paying code reimbursed at 100%

MPPR-Example
Two disciplines, Treatment only

PT	full	discount		OT	full	discount	
97110	29.15	25.74	3.41	97110	29.15	25.74	3.41
97116	25.79	22.8	2.99	**97535***	**31.81**	27.74	4.07
97530	31.8	27.65	4.15	97535	31.81	27.74	4.07
97112	30.48	26.74	3.74	97112	30.48	26.74	3.74
	Total for tx today with MPPR				214.96		
	Total for tx today without MPPR				240.47		
	Less revenue with same amount of labor				**-25.51**		

*Only highest paying code reimbursed at 100%

MPPR-Example
Two disciplines, Speech included

PT	full	discount		ST	full	discount	
97001	71.19	63.88	7.31	**92610***	**102.97**	88.68	14.29
97116	25.79	22.8	2.99	92526	92.37	81.07	11.3
97530	31.8	27.65	4.15				0
97112	30.48	26.74	3.74				0
	Total for tx today with MPPR				325.11		
	Total for tx today without MPPR				354.6		
	Less revenue with same amount of labor				**-29.49**		

*Only highest paying code reimbursed at 100%

MPPR- How can we mitigate its effects?

- One discipline treat at a time
  - If PT is in, OT and ST wait until PT treatment is concluded, if possible and safe to do so.
  - Must generate more caseload in order to keep all staff productive during this time.
  - Once PT is ready to discharge, swap patients with OT or ST, if appropriate.
- One discipline evaluate per day!

MPPR- How can we mitigate its effects?

- Have therapists in the building 6 days per week
  - Either Saturday or Sunday
  - A few of our SNF clients are requesting Saturday coverage for Part A admits
  - If you are currently offering Sat coverage- utilize this time for part B pts as well!

MPPR- How can we mitigate its effects?

- Stagger 4 day a week patients so that there are 2 days that only one therapy is provided
- Ex: PT- M, T, W, Th; OT- T, W, Th, F

MPPR- How can we mitigate its effects?

- Stagger 5 day a week patients with 6th day option so that there are 2 days that only one therapy is provided

- Ex: PT- M, T, W, Th, F; OT- T, W, Th, F, S

MPPR- How can we mitigate its effects?

- Use of Modalities (e-stim, ACP, etc…)
  - By adding another low-cost, unattended code, we can recoup some of the lost revenue without incurring the high cost of an attended code.

Q
&
A

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