

FREE WEBINAR

Investigating the latest SNF reimbursement issues in Texas

Case Mix/RUG issues,
OSAs, and more

simple.
a Netsmart solution



TUE, DEC 19 | 1:30 PM CT

Your Speakers



Becca Smith
VP of Reimbursement
Caraday Healthcare



Robert Douglas
VP of Revenue Integrity
Cross Healthcare Management



Jason Jones
VP and General Manager
Simple Solutions



Poll #1

Are you familiar with Texas Medicaid Coalition (TMC) and their mission?

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TMC Introduction and Mission



History of Texas Medicaid Coalition (TMC)

Established as a nonprofit in 2013, TMC's mission is to enhance and sustain Medicaid reimbursement for Texas LTC providers



Current Texas LTC challenges

As the MDS, Medicaid, and Medicare continue to evolve, TMC has reconvened to reengage and expand its membership.



Current TMC organization goals

Foster collaboration among Texas LTC organizations, disseminate information, and unite in advocating for change



How to renew/become a member (free)

Members will get updates, TMC webinar invites, and the opportunity to help advocate for change.

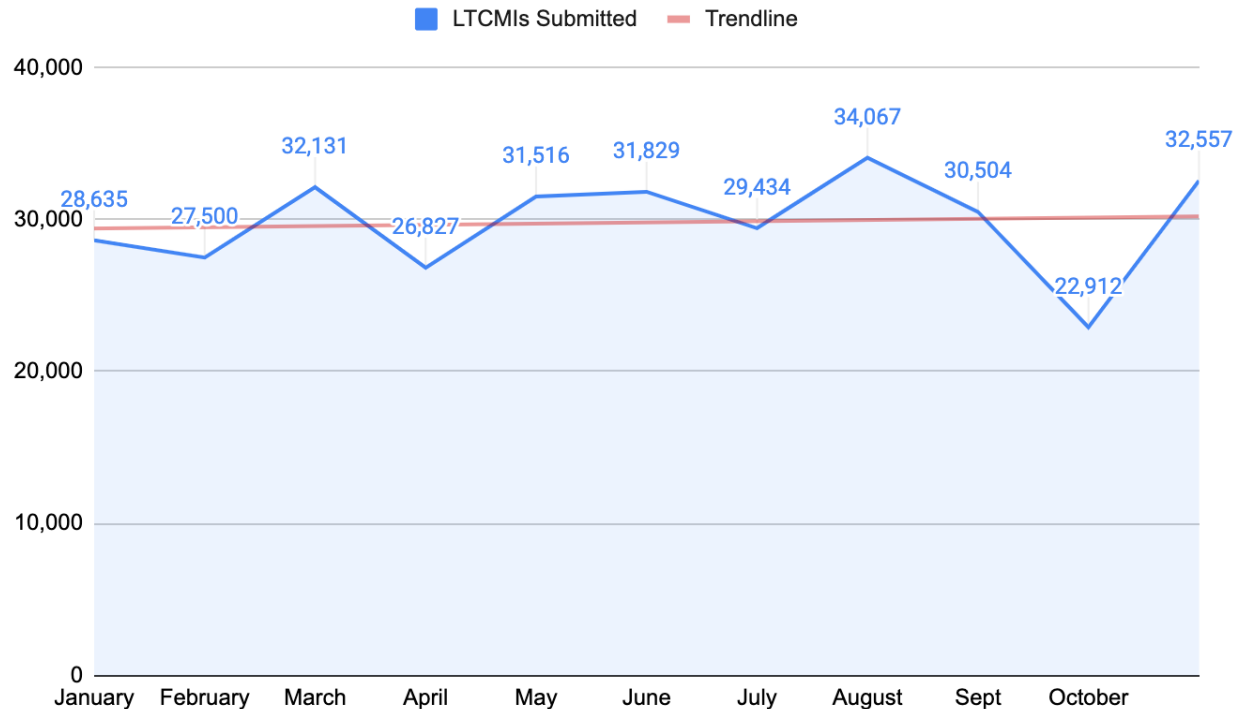
Info on how to join TMC (for free) provided at the end of the session.



Poll #2

- Have you noticed any decline in RUG levels at your facility since Oct 1?
- Are you currently using the OSA (Optional State Assessment)?

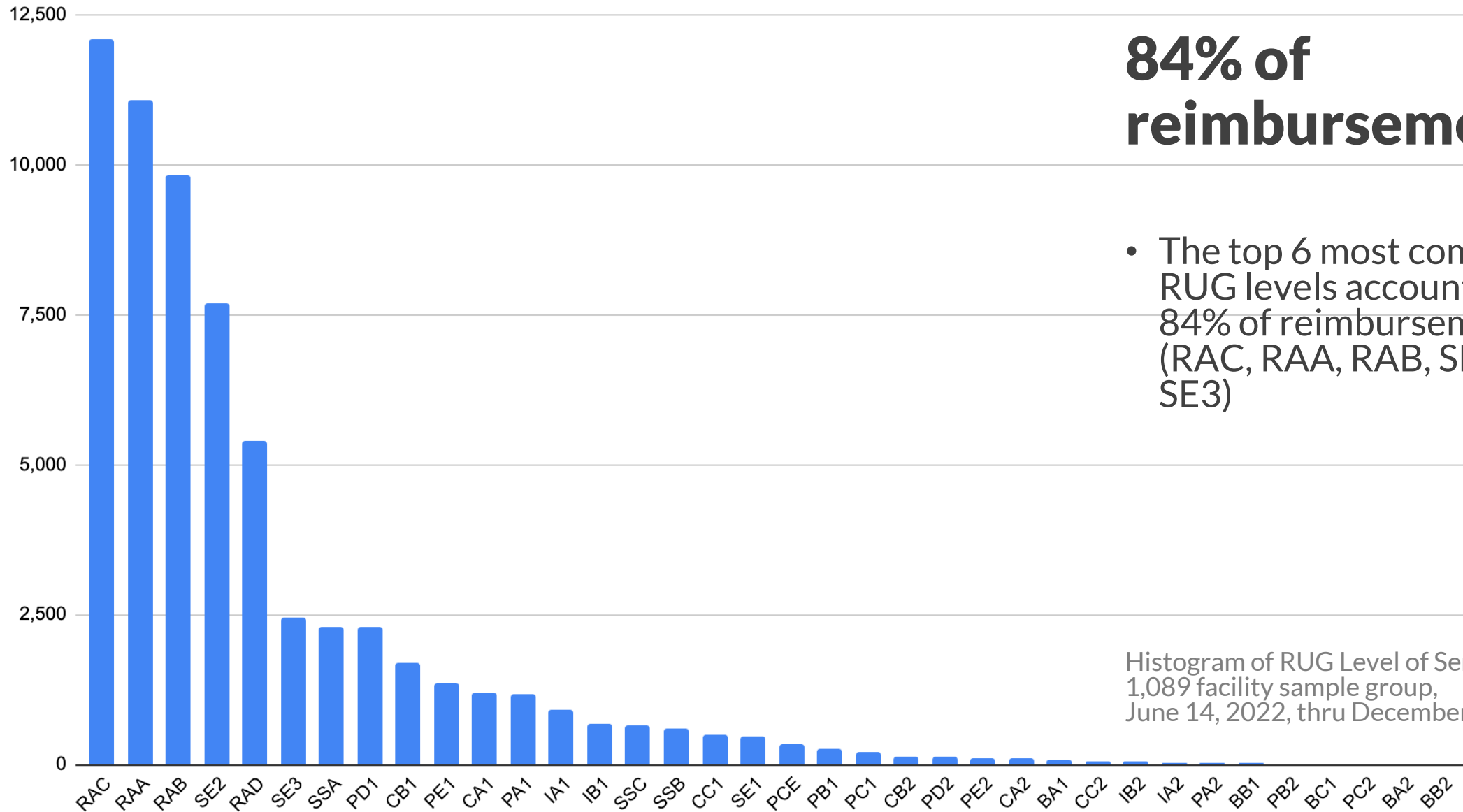
LTCMI & RUG Trend Analysis



October was a ROUGH month!

- Multiple errors on LTCMI validation caused many providers to delay submission.
- Issues were mostly related to MDS changes, specifically Section G.
- LTCMI submission volume has now stabilized and returned to normal.
- Sample group from 1089 providers (93% of Texas Facilities). Covers YTD 2023

Average Daily Count of RUG Level of Service on MESAV



**84% of
reimbursement**

- The top 6 most common RUG levels account for 84% of reimbursement. (RAC, RAA, RAB, SE2, RAD, SE3)

Histogram of RUG Level of Service from 1,089 facility sample group, June 14, 2022, thru December 14, 2023.

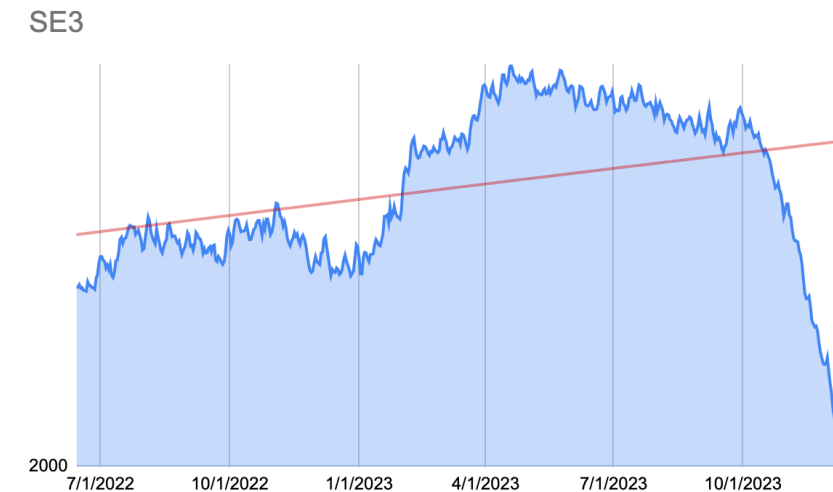
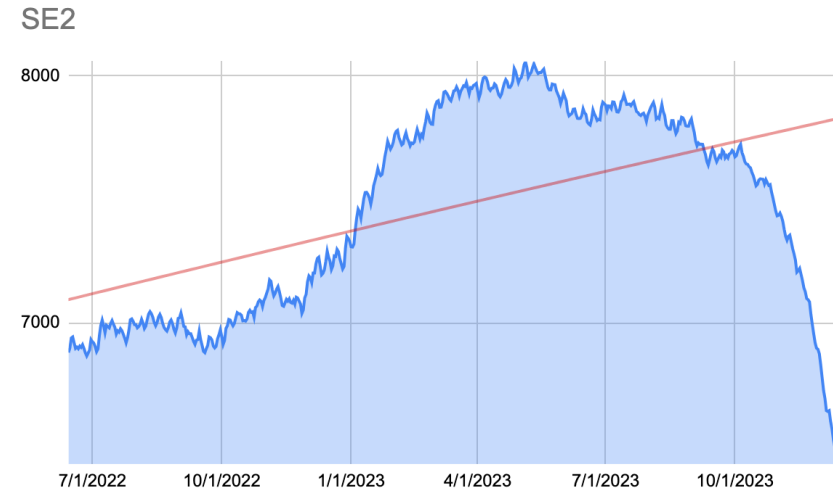
Rehab RUGs in Decline

- Current RUG levels are far below the 18-month trend line (in red)
- Steep decline possibly due to issues with adding therapy minutes to LTCMI



Extensive Services RUGs in Decline


- The number of SE2 and SE3 Levels of Service on the MESAV fell sharply after October 1.
- This decline is likely due to:
 - **Oct 1 MDS Changes** to Section O and K (O0110 and K0520) The IV medication and IV fluids “While not a resident” column went away. Now it can only be captured on the LTCMI. If only marking on admission, you will not get credit.
 - **Medicaid Eligibility Backlog**
Eligibility was affected because the state became overwhelmed after the Public Health Emergency (PHE) COVID waiver period. As a result, providers were required to undergo recertification, which began in August.




Top 10 RUGs – Changes since Oct 1

RUG	Rate	Count on 9/30/2023	Reimbursement	Count on 12/14/2023	Reimbursement	
RAC	\$193.59	11814	\$2,287,072.26	10944	\$2,118,648.96	-7.36%
RAA	\$158.41	10579	\$1,675,819.39	9804	\$1,553,051.64	-7.33%
RAB	\$181.27	9418	\$1,707,200.86	8759	\$1,587,743.93	-6.99%
SE2	\$223.50	7678	\$1,716,033.00	6486	\$1,449,621.00	-15.52%
RAD	\$220.28	5742	\$1,264,847.76	5218	\$1,149,421.04	-9.13%
SE3	\$264.76	2486	\$658,193.36	1999	\$529,255.24	-19.59%
SSA	\$177.05	2290	\$405,444.50	1913	\$338,696.65	-16.46%
PD1	\$119.15	1793	\$213,635.95	1709	\$203,627.35	-4.68%
CB1	\$132.23	1364	\$180,361.72	1301	\$172,031.23	-4.62%
PE1	\$125.26	1154	\$144,550.04	1050	\$131,523.00	-9.01%

Revenue impact

 **-14%**

Year over Year decline in all RUGs
Dec. 15, 2022, thru Dec. 15, 2023

 **-9%**

Since October 1
Sept. 30, 2023, thru Dec. 15, 2023

If current RUG and eligibility trends continue, Texas providers will lose **\$400 million** or more over the next fiscal year.

How to change the trend

1

MOVING FORWARD:

Have a system that works for your organization

- Conduct weekly LOC meetings with business office to review RUG levels
- Use a tracking form to reconcile rates

2

DON'T IGNORE THE PAST:

Focus on accurate coding the MDS and LTCMI

- Carefully audit historical RUG levels
- Understand how the changes have affected your organization

Provider Follow-Up for Transition Issues

- With the recent Oct. 1 MDS changes, a few errors related to Case Mix Index/CMI maximization were identified with TMHP's RUG calculation during LTCMI processing.
- These were corrected on Nov. 9 but may have resulted in an incorrect RUG on the MESAV

IMPORTANT: Audit RUGs for the following situations, and edit the LTCMI so that the correct RUGs are paid:

- ✓ Special Care & Rehab RUG mismatch—SSA/RAA qualifiers Rugging at an RAA versus the higher ranked SSA (equals a difference of \$15.76 per day)
- ✓ Extensive & Rehab RUG mismatch—SE1/RAC qualifiers Rugging at an SE1 versus the higher ranked RAC (equals a difference of \$0.66 per day)

Top 5 Considerations for Using the OSA

1. Do not transmit the OSA to CMS (just like with the Managed Care 5-day)
2. Match Assessment Reference Date/ARD with OBRA Assessment ARD (for same look-back)
3. Better accuracy by utilizing the EHR calculation of ADLs to reduce manual calculation
4. Potential workload reduction IF SimpleLTC can develop a way for data to be uploaded into the LTCMIs from the OSA
5. Support strong Medicaid meeting systems to ensure accurate RUGs in your EHR census that match the resident care provided.
 - a) Use OSA to confirm the correct Medicaid RUG for manual census line updates, which will match future billing
 - b) Compare OSA RUG with LTCMI RUG to ensure accuracy on the MESAV



Join the Texas Medicaid Coalition

- Membership is FREE
- Get updates on Medicaid, reimbursement, and compliance issues in Texas
- Help us advocate for change



Questions

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Thanks for attending!

Recording and handouts available on this page:

www.simpleltc.com/reimbursement-issues-in-texas/

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