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# UNDERSTANDING THE REVENUE CYCLE **UNDER PDGM**

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## **SPEAKERS**

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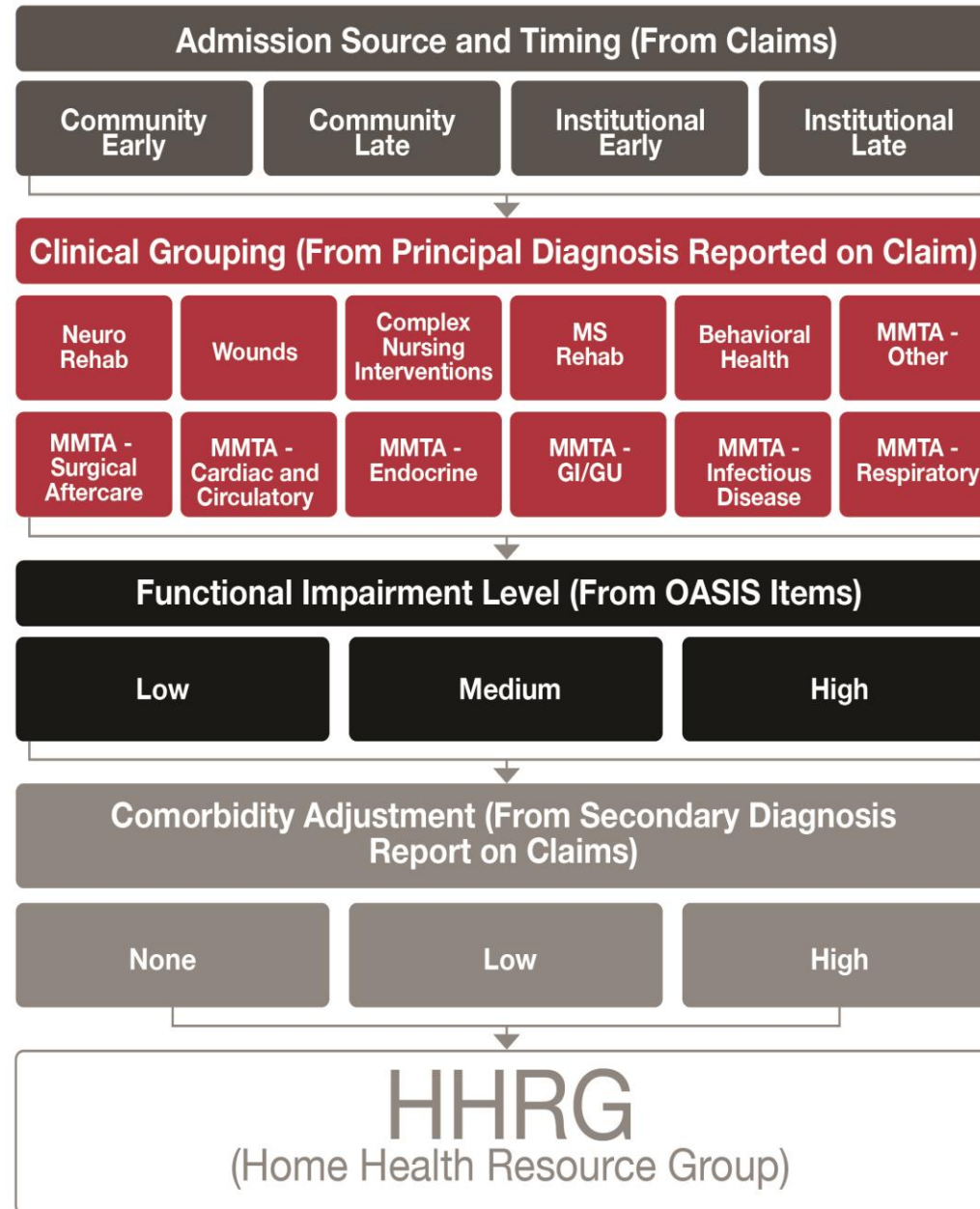
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# Objectives

- Understand the how PDGM will impact revenue cycles for agencies
- Understand CMS processing for claims
- Discuss potential technology solutions to streamline operations

# HHRG Calculation



# PDGM Billing Facts

*For episodes (SOC or Recertifications) that begin 01/01/2020 or after:*

- 60-day episodes remain intact
- Unit of payment changes to 30-day periods
- Two 30-day payment periods within each 60-day episode
- Each 30-day payment period will require a RAP and a Final Claim

# Quick Facts about RCM under PDGM

- Fiscal Intermediaries will not begin to process any claims till January 6.
- Medicare Advantage plans are not required to use PDGM methodology.
- Early timing will only qualify in the first billing period.
- Admission source will be determined by acute and post-acute discharges
- Medicare can make adjustments on final up to a year.
- Any SOC performed after 1/1/2020 will pay using PDGM.
- Any Finals on episodes with SOC prior to 1/1/2020 will pay using HH PPS.
- Recertifications last 5 days of December with episode start dates of 1-1-20 or after will pay PDGM must use OASIS D1 (M90 date must be 1/1/2020)

# Dates To Remember

- **January 1, 2019** Any agency certified on or after will not be paid a RAP in 2020.
- **October 31, 2019** Finalized rule.
- **December 27, 2019** All recertifications for certification periods beginning 1/1/20 or after must use a 1/1/2020 date in M0090.
- **January 1, 2020** PDGM begins.
- **January 1, 2020** Implementation of OASIS D-1.
- **January 6, 2020** CMS begins to process PDGM claims.
- **January 1, 2021** RAP's only used for notice of admission.
- **January 1, 2022** RAP's replaced by NOA's.

2020 January						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

# PDGM and RAPs

- Agencies certified on or after January 1, 2019 will submit RAP's every 30 days, but will receive no RAP payment
- Agencies certified before January 1, 2019 will continue to submit RAP's and receive a split payment
- RAP payment decreases to **20%** under PDGM
  - Rather than the usual 50-60%

# RAP Payment Ending 2021

- 2020 Final Rule finalizes plan to eliminate RAP payment in 2021 and use Notice of Admission (NOA) in 2022
- In 2021 all RAPs would pay 0% but serve NOA purpose
  - RAP must be filed within 5 days of SOC
  - Late penalty will equal 1/30th of payment for each late day
- In 2022 NOA must be filed within 5 days
  - Late penalty will apply



# Timely Filing of RAPs in 2021

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				SOC		
	SN	RAP Deadline		SN	RAP Sent	
	SN			PT		
		SN				
			SN		EOBP	

- SOC counts as day 0
- RAP must be sent by day 5
- 30-day payment projected \$2300
- RAP send day 8
- Penalty is assessed for first 7 days
- $1/30$  of \$2300 = \$76.67 x 7 = **\$536.67**  
penalty

# Claims Management Considerations

- Two sets of Requests for Anticipated Payments (RAP's)
- Two sets of Final claims
- Eligibility verification prior to claim submissions
- Rejections
  - Duplicate claims
  - Overlapping services
  - Coordination of Benefits
  - Eligibility issues
- Return to Provider (RTP's)
- Additional Documentation Required (ADR's)
- Postings and Adjustments
- Secondary Filings



**More than just pushing a button twice!**

# Episodic Claim Requirements

## RAP's

(Request for Anticipated Payment)

- OASIS completed, locked, or export ready
- Verbal orders from MD received and documented
- Plan of Care created and sent to MD
- First visit completed
- 2<sup>nd</sup> Billing period should only require 1<sup>st</sup> visit

## Final Claims

- OASIS entered into QIES system within 30 days of assessment completed (M0090) date
- Face-to-Face and certification statement completed
- All physician orders signed
- Visits completed and posted
- RAP processed

# Filing Timing

## HH PPS

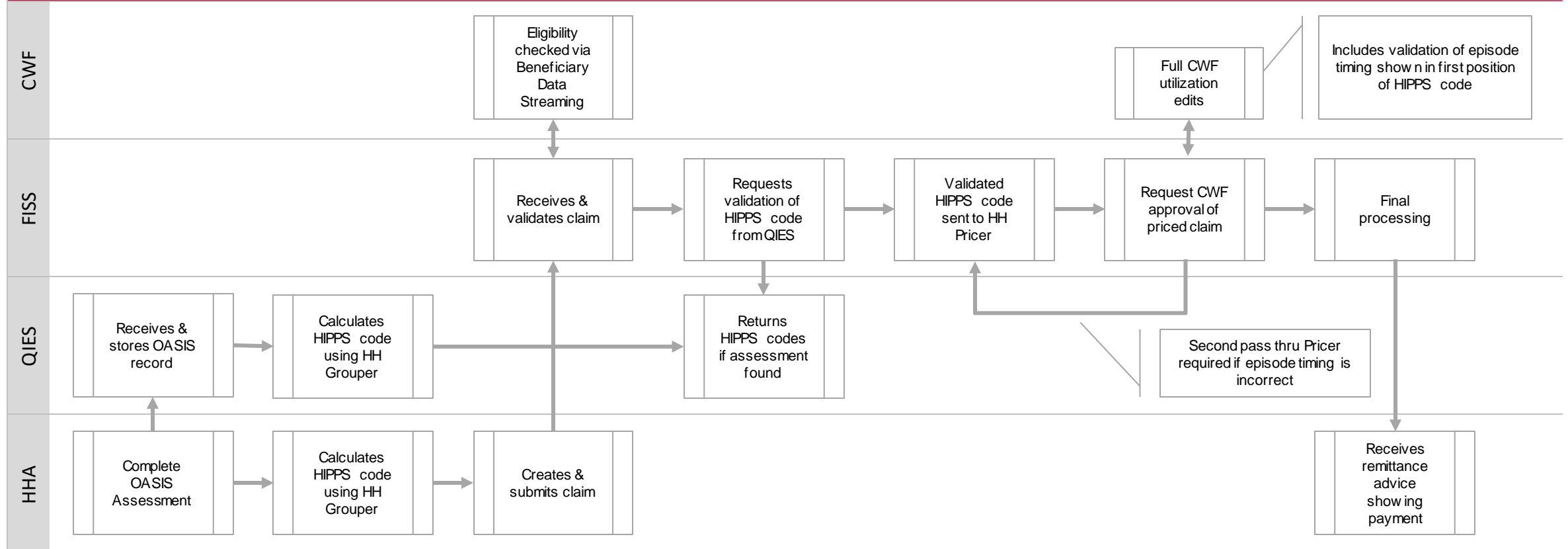
- OASIS must be submitted to QIES 30 days from assessment date (M0090 date)
- Final must be submitted 60 days after end of episode or 60 days after RAP payment date which ever is greater
- RAP will cancel is above is not met
- Finals can be billed one (1) year from episode end date

## PDGM

- OASIS must be submitted to iQIES 30 days from assessment date (M0090)
- Final must be submitted 60 days after end of billing period or 60 days after RAP payment date which ever is greater
- RAP will cancel is above is not met
- Finals can be billed one (1) year from billing period end date

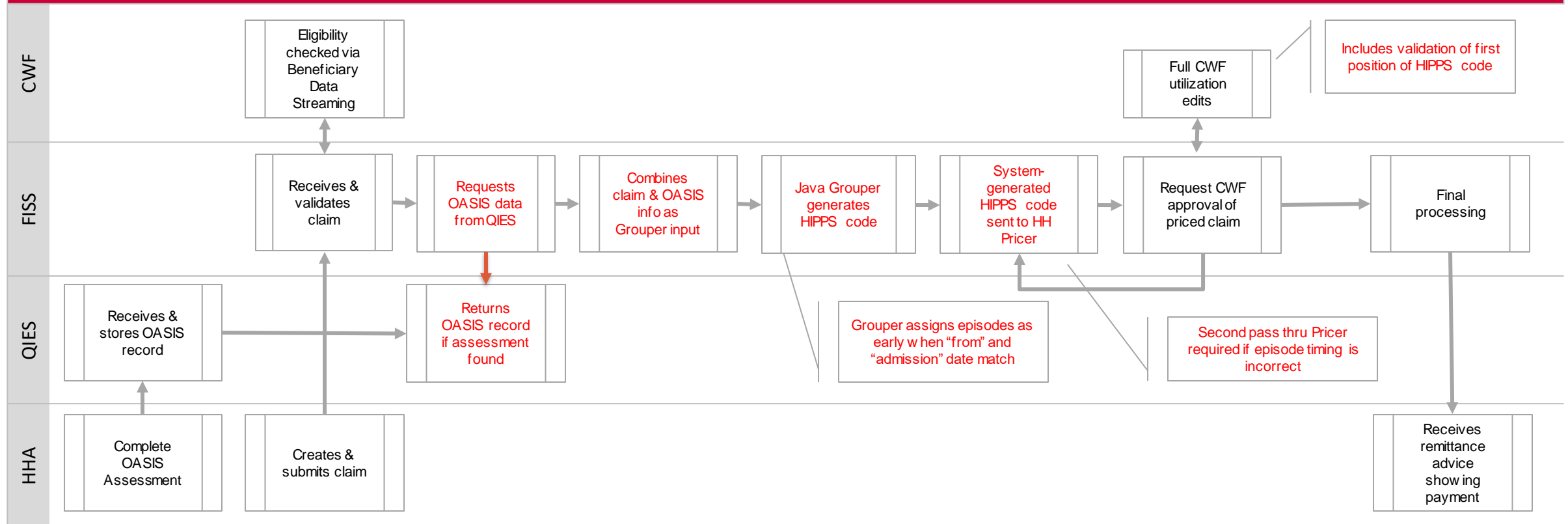
# PPS Revenue Cycle

## HH Case-mix grouping and validation – current status

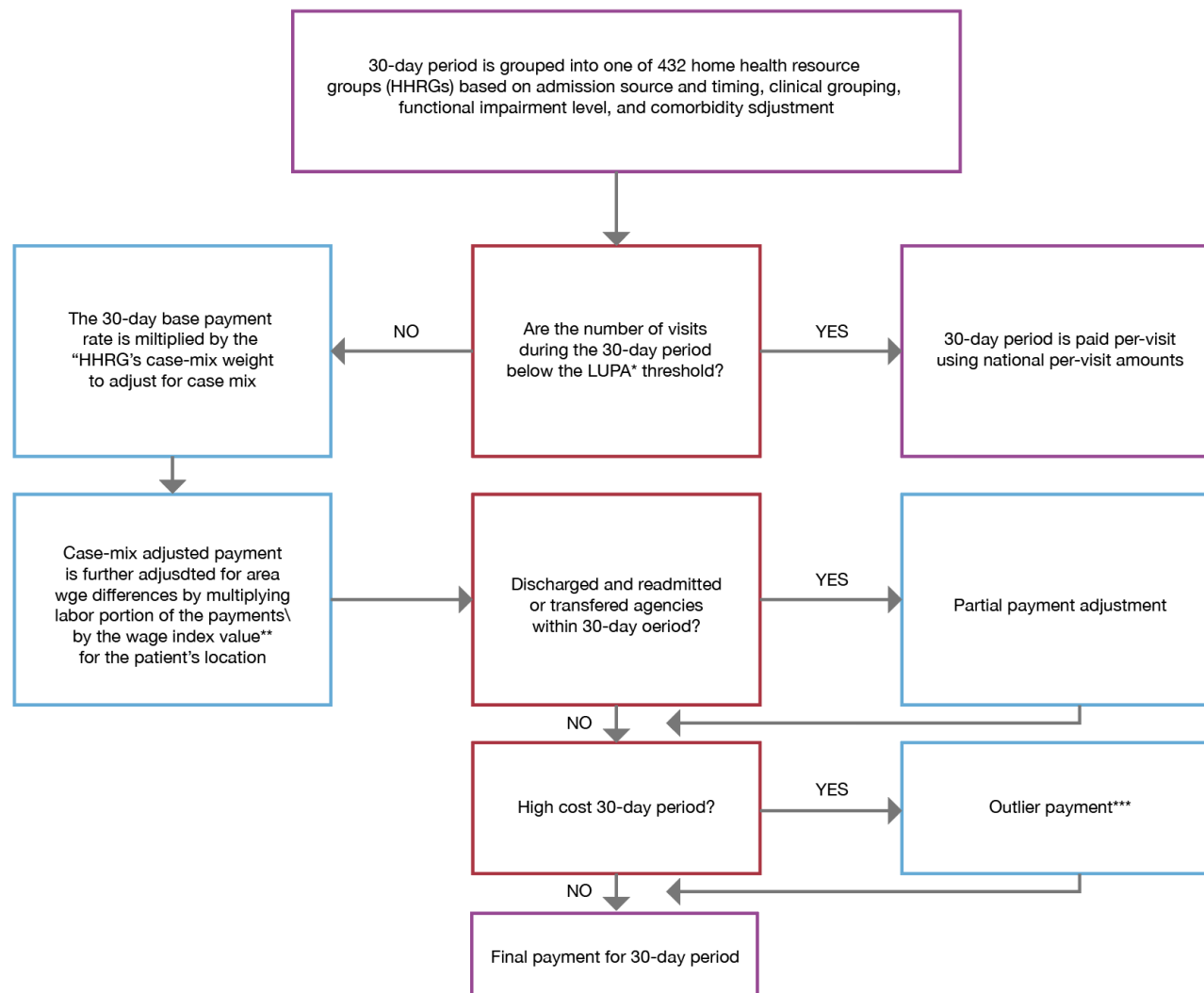


# PDGM Revenue Cycle

## HH Case-mix grouping and validation – current status



# PDGM: Payment and Adjustments



# Payment Adjustments

- **LUPAs, PEPs and Outliers will continue in PDGM**
  - Will be calculated on a 30-day payment period rather than 60-day episode
- **LUPA (Low-utilization Payment Adjustment)**
  - Thresholds of 2-6 visits per 30-day period
  - Applies up to, not at the threshold
  - Different level for each of the 432 Case-Mix Groupings
  - LUPA add-on applies only to SOC 30-day periods with total number of visits at or below the LUPA threshold



# Payment Adjustments

- **LUPAs, PEPs and Outliers** will continue in PDGM
  - Will be calculated on a 30-day payment period rather than 60-day episode
- **PEP**
  - Applies when the Beneficiary elects transfer to another agency, discharges and readmits to your agency or another agency, or changes from Traditional Medicare to a Medicare Advantage plan within the 30-day period

# PEP Example

## 2020 JANUARY

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

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## 2020 FEBRUARY

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

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DC

**SOC  
(PEP)**

# PDGM Payment Adjustments

- Outliers apply to high-cost 30-day payment periods
- Based on cost-per-unit approach
  - Number of visits plus time in home during visits (15-minute units reported on the claim)
- The fixed-dollar loss and the loss-sharing ratio are used to calculate whether the 30-day period is an outlier
- Final Rule states PDGM **FDL will be 0.56**

# SCIC (Other Follow Up)

- When a patient has unanticipated change in condition
- Other Follow Up (RFA -5) OASIS is completed
- If SCIC is completed in first 30-day period, it could impact final claim(s)
- Functional from OASIS
- Change in coding → claim
- OASIS must be on file (exported) before final

# Resolved Conditions

- When a patient has resolved primary condition or new primary diagnosis for second 30-day period
- No OASIS is completed
- Change in coding → claim
- Process to communicate this clinically and for billing
- Axxess has “Change of Focus” form
  - When completed, diagnoses flow automatically to claim

# Technology Solutions

## **RAP's (Request for Anticipated Payment)**

- No payment RAP's should record \$0 to ensure accurate accounts receivable
- Dashboard tracking of OASIS and Plan of Care status
- Real-time OASIS Validation
- Mobile Technology for speed and accuracy
- Interoperability for referral sources and contract therapies
- Physicians portal for transmitting Plan of Care
- Ability to pull sections of the OASIS for physician's review for certification and inclusion in the medical record

# Technology Solutions

## Final Claims

- QEC identification
- PECOS verification during intake
- Physician portal for signed orders
- Full visualization and processing of claims in one single location
- Eligibility verification
  - Intake
  - Throughout episode if payers change
  - On demand
- Dashboard tracking of billing requirements
  - RAP submission
  - Completion of all orders
  - Completion of all visits
  - OASIS submission

Send questions to  
**pdgmquestions@axxess.com**



# Axxess PDGM educational resources

## [axxess.com/pdgm](https://axxess.com/pdgm)