

New York Agency Solves M0825 Problem with Clinical Software, Targeted Training

Ask ten Medicare-certified home health agency administrators to name their most vexing billing problem and there is a good chance nine of them will say “M0825.” Under current Medicare Prospective Pay System (PPS) rules, a nurse employs professional judgment during an initial assessment to make what amounts to an educated guess as to whether a patient will need physical and/or occupational therapy and, if so, in how many visits over the coming 60 days. Recorded at OASIS question number M0825, it is a judgment with far-reaching consequences. Any software system that could eliminate some of the guesswork would certainly be valuable.

According to Cheryl Bowhall, Director of Patient Services for St. Joseph’s Hospital Health Center Certified Home Health Agency, there is such a software application. A Thornberry, Ltd. (Lancaster, PA) customer since 1995, St. Joseph’s covers New York’s Onondaga county from its one Syracuse office. The agency’s 173 employees serve an average daily census of nearly 900 patients and admit 25-30 patients per day. Since upgrading to Thornberry’s browser-based point-of-care application, *NDoc*, St. Joseph’s nursing supervisors have been able to monitor M0825 discrepancies daily and make adjustments before an episode ends.

Therapy guessing more art than science

The reason OASIS question M0825 is such a critical issue is that Medicare payment rules use it to forecast a substantial portion of episode reimbursement. Rather than reimburse a certain amount per therapy visit, PPS pays nothing extra for visits one through nine and then adds a substantial amount for ten or more therapy visits during each 60-day episode.

Since 60% of the episode payment is sent to the agency in advance based on the start-of-care OASIS assessment, that nurse’s educated guess causes one of two problems if it is wrong. If she predicts nine or fewer therapy visits and therapists do ten or more, payment is based on the prediction, not actual visits. The agency must formally request a payment upgrade, costing clerical time. If the assessment predicts ten or more and therapists do nine or fewer visits, the Fiscal Intermediary downgrades the payment to the actual visit count, not the prediction. In the latter case, the erroneous advance payment can be larger than the newly calculated total payment, leaving the agency owing Medicare money at the end of the episode.

Correct guesses in question M0825, therefore, save a great deal of clerical and accounting time. Since switching to *NDoc*, Bowhall explains, St. Joseph’s has drastically reduced the number of incorrect guesses. “It is easy to produce a report to track therapy visits up to the minute,” she elaborates, “to see whether they are on track to meet their predicted numbers.” Continual staff education, targeted to nurses with lower M0825 accuracy, has steadily reduced the number of guesses requiring reversal.

Following progress with one critical OASIS question, St. Joseph’s turned its attention to others. “*NDoc* allows us to customize our reports regarding each OASIS M0 question,” she explains. “During our audit process, areas that can be improved by targeted training are identified fairly easily.” Bowhall added that reports have also led to a significant decrease in the number of conflicts between the OASIS assessment and the 485 plan of care. “Before a nurse completing an assessment can lock and send it, the software automatically examines it. If there is a blank space or a logical inconsistency between two questions or between a question and the 485, it directs the assessing nurse’s or PT’s attention to the discrepancy so he or she can judge which answer to change to make the assessment internally consistent.”

“Unlike other systems, including the previous version of this system,” Bowhall explains, “*NDoc* is not based on clinical pathways, where a nurse has to find a set care plan that makes a best fit with each patient’s condition and prognosis. It is a problem-oriented system; it leads a nurse through the process of identifying and solving problems. It is unique in the way it tries to trigger nurses to think of solutions rather than presenting them with pre-programmed pathways.”

In addition to giving a nurse insight into 485/OASIS consistency, management has added insight into clinician visit arrival and departure time and at what time and date assessments and visit notes are actually completed. “Everything is automatically time and date stamped,” she said, “which helps us identify staff that need additional training or more supervision.”

NDoc forced St. Joseph’s to modify some of its processes, Bowhall concluded. “Some things needed to change but we realized it was time to improve them anyway. The *NDoc* system is giving us more detail, more reports, and more real-time access to patient information. It provides better insight into patient acuity and staff case load, information that, from a management perspective, identifies needs for process change or additional education.”