

HOMECARE & HOSPICE
National Association for Home Care & Hospice

**PDGM IN REAL TIME
CASH FLOW & LUPAs**

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Rob Simone, Director of Finance, Simone Healthcare Consultants
Mike Simone, Manager, Simone Healthcare Consultants
Aaron Little, CPA, Managing Director, BKD
Gina Mazza, MBA, BSN, RN, CPHQ, Fazzi Associates, Inc.
Cindy Campbell, RN, BSN, MHA-Clinical Informatics, COQS, Director, Fazzi Associates Inc.

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Cash Flow & LUPAs

What We Have Learned

- Issues submitting timely OASIS due to errors from QIES
- Delays in RAP and Final Processing from the MAC's
- Medicare Advantage Plans Issues Processing PDGM Claims
 - No notification to agencies of switch to PDGM
 - Rejection of HIPPS because Grouper has not been updated
- Inflated revenue in January and into February due to higher percentage of Institutional Early periods and decrease in the amount of LUPAs for 1st 30 days.
- Decreases in Cash due to lower RAP %, will significantly increase due to phasing out of PPS payments
- Wait until March to re-forecast revenue due to increase in late community and LUPAs expected in 2nd 30-day periods

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Cash Flow & LUPAs

The Unknown

- What will be the timeliness of the Medicare corrections to Institutional vs Community?
- Will Medicare Advantage plans that haven't gone to PDGM possibly retro-back to the beginning of the year and force agencies to re-bill?
- Will there be an increased delays in processing final claims from the MAC on second 30-day periods?
- Will we see a significant increase in LUPAs in the 2nd 30 days?

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Cash Flow Strategies

- Perform cash flow analysis for 2020 and 2021 based on current state Days to RAP, Days to Final and Expected Reimbursements
- Ensure accounts receivable are as clean as possible
 - Who is following up on old claims?
 - Consider additional help to collect old claims
- Monitor Medicare claims daily
 - Who is working the RTP files?
 - What is holding up claims?

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Cash Flow Strategies

① Manage Medicare Billing

- What are your days to RAP?
- What are your days to final?
- Bill claims daily regardless of how many you have.
- Evaluate why claims cannot be released.
- Utilize staff from other departments to assist in clean-up.

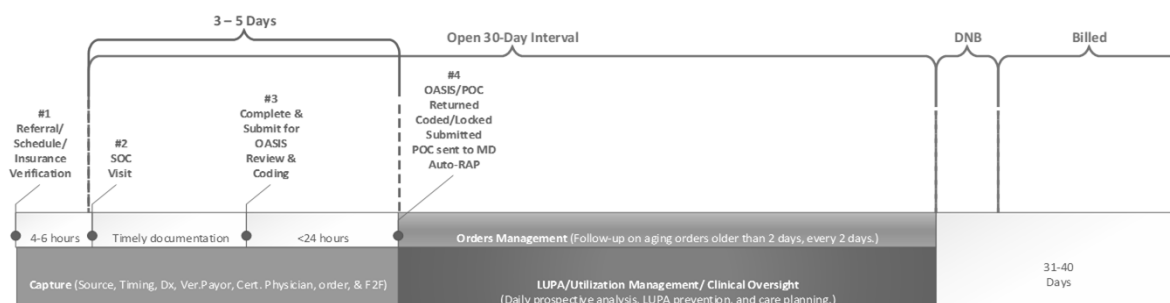
Cash Flow Strategies

① Ensure set up of all Medicare Advantage plans include PDGM criteria:

- Avoid Questionable Encounters
- Collect all information:
 - ▶ Primary Diagnosis (avoid QEs)
 - ▶ Comorbidities
 - ▶ Updated OASIS questions.
 - ▶ Admission Source and Timing

Cash Flow Strategies

PDGM-Critical Time Intervals and Milestones - Referral to Final Claim



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LUPA Strategies

- Utilize LUPA alerts and notifications in EMRs
- Track “Good” LUPAs vs “Bad” LUPAs
 - “Good” LUPA Example
 - Patients stay extended to second 30 days, visits were on days 32 and day 36 and patient was discharged with goals met
 - “Bad” LUPA Example
 - Patient stay extended to second 30 days, visits were complete on days 32 and 52 and patient was discharged on at the end of the second 30-day period
 - The first example has only 4-6-day loss in revenue, the second example has 30-day loss in revenue
- Utilize “Bad” LUPAs as an opportunity to gain efficiencies around scheduling, coordination of care and case load management
- Review cost efficiencies to reduce cost per visit

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LUPA Strategies

- Review LUPAs by Clinical Grouping
 - Is there a most common Grouping that results in a LUPA?
 - Visit Protocol
 - Current Care Pathway
 - Capacity of Specialist (Wound, Cardiac, etc)
- Include LUPAs in all cash flow and revenue projections
- Set LUPA Goals and Targets specific to 1st and 2nd 30-day periods
 - Allows agency to analyze for opportunity

ROC/PEP Question

- Should an agency discharge or perform a resumption of care on patient who is sent to an institutional source
- Discharge/PEP
 - Advantage – Patient **could** come back as an institutional late for the 2nd 30-day resulting in higher reimbursement
 - Disadvantage – Risk of patient not coming back to the agency due to choice or capacity and the cost of a new Start of Care admission
- Resumption of Care
 - Advantage – No new SOC visit needed for the patients, patient could still potentially come back and have a second 30-day institutional period
 - Disadvantage – Risk of patient coming back as community late depending on timing, cost of tracking patient at institution

Open Online Discussion Use Q/A Text

Upcoming *PDGM In Real Time* Webinars

Therapy in PDGM

March 4 at 1:00 pm ET

Clinical Management of Patient Episode

March 11, 2020 at 1:00 pm ET

Data Analytics

March 18 at 1:00 pm ET

Upcoming Events

2020 March on Washington

March 23-24
Washington, DC

2020 Financial Management Conference

July 26-28
Las Vegas, NV

2020 Home Care and Hospice Conference and Expo

October 18-20
Tampa, FL

Presenters

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