

Public Policy

HCA Public Policy No.10-2017



TO: HCA HOSPICE PROVIDER MEMBERS

FROM: PATRICK CONOLE, VICE PRESIDENT, FINANCE & MANAGEMENT

RE: UPDATES FROM NGS HOSPICE ADVISORY MEETING

DATE: OCTOBER 20, 2017

National Government Services (NGS), New York's Medicare Administrative Contractor (MAC) for Jurisdiction 6 (J6), conducted a Hospice Advisory Meeting this week for the state associations and hospice representatives in the U.S. Centers for Medicare and Medicaid Services (CMS) J6 region. HCA participated in the meeting and received important updates, posed questions and advocated on behalf of our hospice membership.

The following memorandum summarizes key updates and/or presentations by NGS staff at the meeting as well as information acquired by HCA on issues of particular importance to New York State, including:

- NGS Website, NGSConnex and ForeSee Survey
- Audit and Reimbursement
- Upcoming J6 Hospice Education
- Medical Review and Appeals Data Findings
- Comprehensive Error Rate Testing (CERT) Results and Findings
- Provider Enrollment
- Other Medicare Issues:
 - Electronic Filing for Hospice Notices
 - Targeted Probe and Educate

NGS Website, NGSConnex and ForeSee Survey

NGS's Alicia Forbes provided an update on important new features to the NGS website at www.ngsmedicare.com as well as an important update to NGSConnex. HCA members that utilize NGS's website are reminded that they should click the "HHH" home page link for the Home Health and Hospice portal, enter their state, and then click 'Accept' on the HCPCS/CPT code attestation page. By doing so, NGS users should be able to access NGS's J6 Home Health and Hospice (HH&H) homepage.

Some new features to the NGS website and NGS Connex include:

- The GS Medicare website now has a Part A Denial Tool with top denial reason codes. A Part B Denial Tool is being worked on and should be released soon;

- The NGSConnex User Guide has been converted from PDF to HTML format to make it searchable on the website – it also includes more visuals and screenshots;
- NGS has developed a multi-factor authentication to enter NGSConnex that includes a new user name and password as well as a unique e-mail address authentication code; and
- The NGS Medicare website has recently added the YouTube Videos from Medicare University since many NGS users do not have access to YouTube videos at their work sites.

Ms. Forbes explained that the ForeSee Survey, which appears when users enter the NGS website or the NGSConnex website, is utilized by CMS to rate each of the Medicare contractors. CMS and NGS rely on providers/members to complete the survey, giving feedback on functions of the site that are helpful, useful, or in need of improvements. Ms. Forbes said that NGS requests website and Connex users to complete the survey quarterly to assist CMS and NGS with these efforts. NGS will also be working on making the ForeSee Survey easier to access since currently it requires participants to close out of their internet browser that has the NGS website open before the survey is activated.

Ms. Forbes then informed participants that NGS's Medicare University is available 24 hours a day, seven days a week. It has a new user guide, and users can find new Computer-Based Training courses on the bottom of the home page. Lastly, Ms. Forbes informed participants that NGS recently began sending a new e-mail every Monday to NGS website users, called "Self-Service Pulse," which provides a summary of the important events or educational opportunities for the upcoming week.

Audit and Reimbursement

NGS's John Stoll said his Audit and Reimbursement team have begun the 3-year look-back and he anticipates that his team will be finished in early to mid-November. He also mentioned that the final 2016 Hospice cap review will be completed after his team completes the 3-year look-back.

Mr. Stoll then reported that upcoming changes for the Hospice cap were identified in CMS's FY 2018 Hospice Wage Index and Payment Rate final rule. Changes to the due date of the self-reporting cap along with other changes for the beneficiary count dates and payment dates were also included. NGS is waiting on instructions from CMS before providers can be notified. However the final rule has indicated the following:

- The hospice cap amount for 2017 is \$28,404.99.
- The hospice cap amount for 2018 is \$28,689.04.

Finally, Mr. Stoll reported that the NGS website has been updated with the new Medicare hospice rates effective October 1, 2017 through September 30, 2018. He also indicated 288 J6 hospices were deemed noncompliant for not submitting their required Quality Data and, therefore, will not receive any payment update for the FY 2018 Medicare claims. According to NGS, this represents approximately 20 percent of all hospices in NGS's workload. HCA asked if NGS could provide a breakdown of impacted J6 hospices by state and Mr. Stoll said that he would ask his team to provide that data.

Upcoming J6 Hospice Education

NGS's Corrinne Ball reported that NGS will be offering the following hospice education programs via conference call and/or webinar:

- October 26 – Targeted Probe and Educate (TPE) for Hospice (11:30 a.m. to 12:30 p.m.)
- November 2 – Targeted Probe and Educate (TPE) for Hospice (10 a.m. and 2 p.m.)
- November 28 – Targeted Probe and Educate (TPE) for Hospice (Time TBA)
- December 5 – Electronic Filing of the Notice of Election (Time TBA)
- December 7 – Electronic Filing of the Notice of Election (10 a.m. to 11a.m.)
- December 7 – Targeted Probe and Educate (TPE) for Hospice (2 p.m. to 3 p.m.)

NGS's education or training events can be found in the events calendar on NGS's website at: www.NGSMedicare.com. Providers should click the "HHH" home page link for the Home Health and Hospice portal, enter their state, and then click "Accept" on the HCPCS/CPT code attestation page. Once in the HH&H portal, click the "Education" tab, then click the webinar, teleconference and event tab.

HCA will notify the membership via our newsletter when additional educational sessions are scheduled.

Medical Review and Appeals Data Findings

NGS's Julie Chang-Schaefer provided a hospice medical review data update for the April through June 2017 time period. She noted that due to NGS's burdensome involvement with the Home Health Probe and Educate audit, which is taking up considerable medical review team time and resources, only one widespread hospice probe has been conducted during this period.

Hospice providers impacted by this probe will have received one of the following claims edits: 5CPNQ; 5CPNR; 5WPNQ; or 5WPNR, which means that NGS's medical review team is reviewing the patient's place of residence and, in particular, if services are reasonable and necessary. Ms. Chang-Schaefer stated that the top three denial reasons under this probe are: 1) Terminal prognosis not being supported; 2) Physician narrative not present or invalid; and 3) General Inpatient (GIP) care was not reasonable and necessary.

Lastly, Ms. Chang-Schaefer reported that NGS continuously conducts provider-specific reviews and audits which focus on cases where a provider had: an annual percent change in Medicare reimbursement of greater than 30 percent; an average length of stay (ALOS) increase as compared to peers in the state; and an increased average use of GIP.

CERT Results and Findings

CMS's CERT program monitors the accuracy of Medicare fee-for-service (FFS) payments by reviewing medical records. CERT contractors also review claims for compliance with Medicare coverage, coding and billing rules.

The CERT contractor randomly selects a sample of already paid claims by the Medicare contractor. Beginning in August, the CERT contractor initiated a new process for requesting medical records connected to claims undergoing review. HCA members can read about this new process by going to NGS's J6 Home Health website and clicking on "Medical Policy and Review," then clicking on "CERT," then "CERT Alerts" and finally clicking on "August 2017 New Process for Requesting Medical Records."

NGS's Laura Brown stated that, as of September 2017, the CERT error rate for hospice providers in NGS's J6 region was 9.05%, while NGS's overall CERT error rate for the same period was 7.9%. Ms. Brown listed the most common hospice denials to date that will be part of the upcoming November 2017 CERT report. These include:

- Insufficient or inadequate documentation such as missing plan of care or physician certification of terminal illness documented with a specific benefit period;
- Medically unnecessary service or treatment where documentation does not support that hospice services are reasonable and necessary;
- Services incorrectly coded; and
- No documentation was received at all.

Ms. Brown stated that CMS's overall goal for MACs in 2017 is to have a denial rate lower than 10.4% and NGS believes it will achieve that overall goal when the November 2017 report is released.

Provider Enrollment

NGS's Laura Brown stated that NGS's home health J6 website has a designated "Enrollment" section within its website and, once in that section, providers should select "Submit an Initial Enrollment Application." Within this area of NGS's website, providers can also review the following Provider Enrollment topics:

- How to Use the Medicare Revalidation List Tool on the CMS website;
- Set Up Electronic Funds Transfer (Updated); and
- CMS 588: Completion Tips for Sole Proprietors, Sole Owners, Organization and Suppliers.

Ms. Brown also informed participants that NGS's website (Select Education Tab then YouTube Videos) includes the following two YouTube videos to also assist in the Provider Enrollment process:

- How to Use the Medicare Revalidation List Tool; and
- Using the Provider Enrollment Chain and Ownership System (PECOS).

Other Medicare Issues

Electronic Filing for Hospice Notices

Ms. Ball asked Advisory Group participants for feedback on a draft webinar NGS will be conducting in the near future on submitting the hospice notices via an electronic interchange. During the webinar, NGS will review CMS's Transmittal 3866 which becomes effective **January 1, 2018** and can be downloaded at:

<https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2017Downloads/R3866CP.pdf>. The transmittal does not mandate the electronic filing of hospice notices but CMS and NGS believe there are many benefits to filing this way.

To be covered by the Medicare hospice benefit, beneficiaries must sign an election statement, indicating their choice of hospice care instead of curative treatment. The hospice notifies the Medicare program that a beneficiary's election is on file by submitting a Notice of Election (NOE). The NOE is submitted like a claim. The hospice enters the NOE information into the Medicare contractor's Direct Data Entry (DDE) screens. The NOE processes through Medicare claims systems, which updates beneficiary records and later uses the information to adjudicate hospice claims.

Currently, hospices may only submit NOEs using DDE or paper claim submissions. The hospice industry has requested that Medicare implement submission of NOEs via electronic data interchange (EDI). Receipt of NOEs via EDI would support Medicare business needs, since prompt and error-free NOEs are increasingly important to a variety of payment policies. EDI transmission of NOEs would reduce, and potentially eliminate, problems with NOEs that result from errors during the DDE process. Hospices could export data from their electronic medical record or other software system into the EDI format without human intervention.

After reviewing Transmittal 3866, the webinar will then review the benefits of filing electronically and the notice of election testing period. The webinar concludes with a review of the data elements required on the NOE and the various resources NGS will make available for hospices on this issue.

HCA will notify our hospice membership when this webinar will be available.

Targeted Probe and Educate Initiative

CMS has issued a detailed Transmittal regarding its plans for medical review after the completion of the second round of the "Probe-and-Educate" initiative. See <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2017Downloads/R1919OTN.pdf>.

In Transmittal 1919, CMS instructs MACs, including NGS, to begin the new "Targeted Probe and Educate" initiative for all Medicare Part A and Part B providers (including home health and hospice) by October 1, 2017.

Rather than target all agencies, the new Targeted Probe and Educate (TPE) program will focus on specific providers that have been identified, through detailed data analysis, as being a potential risk to the Medicare trust fund. Included in this data analysis, NGS will review hospices' prior billing practices, along with hospices whose claim denials vary significantly from their peers.

Those providers selected will be asked to submit between 20 to 40 pre-payment claims per round, for a total of up to three rounds of review. Once a provider achieves a payment error rate of 15% or less, NGS will take the provider off this targeted probe audit. After each round, providers will be offered individualized education based on the results of their reviews, especially if the provider's error rate remains higher than 15%.

Providers with continued high error rates after three rounds may be referred to CMS for additional action, which could include: 100% prepay review; extrapolation; referral to a Recovery Audit Contractor (RAC); etc. Providers may be removed from the review process after any of the three rounds if they demonstrate low error rates or sufficient improvement in error rates, as determined by CMS.

During this update, NGS's Corrinne Ball gave a detailed NGS's presentation on the entire Targeted Probe and Educate Initiative which covered the following areas:

- Objectives of Medical Review

- Targeted Probe and Educate – History and Changes in Medical Review Process
- Provider Notification Process
- Phases of Medical Review Process: Data Analysis, Validation, Calculations and Detailed Provider Results

HCA members can download this NGS presentation at <https://hca-nys.org/wp-content/uploads/2017/10/NGSHospiceTPEOct2017.pdf>.

Next Meeting

NGS will continue its policy of conducting three Hospice Advisory Meetings for state association representatives during the upcoming fiscal year (FY) 2018. The meeting dates have not been finalized yet and HCA will continue to provide a detailed *Public Policy Memorandum* to the membership after each of these meetings.

HCA will also provide updates via our newsletter on any new NGS hospice-related issues or Medicare payment matters, including future CMS instructions to MACs, CERT audits; payments updates on the two-tier model or Service Intensity Add-on adjustments; and upcoming hospice education programs.

For further information, contact Patrick Conole at (518) 810-0661 or pconole@hcanys.org.