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MANAGING PAYMENT AND REGULATORY RISK: MDS 1.19.1

The Alliance Training Center, Inc.

INTRODUCTION

The balancing act of managing payments and regulatory risk requires flexibility, agility, and planning. But facilities can effectively juggle these while providing quality care. Leah Klusch, Founder and Executive Director of The Alliance Training Center, offers insights, tips, and updates to help you address the challenges and embrace the opportunities.

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KEY DEFINITIONS FROM THE RAI MANUAL (OCTOBER 2024) SECTION GG

Make sure your team is aware of these definitions so that everyone is on the same page and talking the same language:

- **Usual Performance:** A resident's functional status can be impacted by the environment or situations encountered at the facility. Observing the resident's interactions with others in different locations and circumstances is important for a comprehensive understanding of the resident's functional status. If the resident's functional status varies, record the resident's usual ability to perform each activity. Do not record the resident's best performance and do not record the resident's worst performance, but rather record the resident's usual performance.

- **Qualified Clinician:** Qualified clinicians are healthcare professionals practicing within their practice and consistent with federal, state, and local law and regulations.

- **Helper:** For the purposes of completing Section GG, a "helper" is defined as facility staff who are direct employees and facility contracted employees. Thus, "helper" does not include individuals hired, compensated or not, by individuals outside of the facility's management and administration such as hospice staff, nursing/CNAs, students, etc.

5 STEPS TO MDS PRECISION

"Some of the changes in the resident assessment database have implications for payment documentation issues and associated regulatory compliance," Klusch observed. She added that several issues are coming out of facility audits that need to be addressed. Staff training and competency documentation, she suggested, are very important for your regulatory success. **"This also will improve the accuracy of your data."**

STEP 1 Start with the Changes

Get your team tuned in to the changes and revisions. Klusch noted, "The change to the Facility Assessment tag is very important because it now focuses on the use of your facility database as you review your Facility Assessment compliance and rules." She observed that there are a few "sneaky things" that are getting more attention, for instance, the HIPAA release form that is part of the Minimum Data Set (MDS) process in the RAI manual, chapter 1, pages 1-14 to 1-16. Your agreement for Medicare participation also is very important as it requires accuracy and compliance with all the rules in the MDS process.

Most changes are minor, Klusch said. However, there are some significant coding changes that should be reviewed. These include the elimination of Section G from the MDS and addition of anticonvulsants to high-risk medications in Section N. At the same time, coordination on the mood interview process and documentation of Section GG is "enormous in the audit process." Klusch noted that Section GG captures the usual performance over a three-day period, and uses a six-point scale based on helper assistance provided.

Elsewhere, there is new coding guidance in Section O, and "regulators in many places are all very sensitive about how you code the COVID vaccination status of elders, so you should be talking with your infection preventionist and ensuring they have that information." Klusch noted that "a lot of people don't understand the terminology or the functional performance score calculation process." She urged everyone to read chapter 6 of the RAI manual. She said, "It's a good read and essential for key members of your team to understand."

STEP 2 Understand Coding Directions

Ultimately, data accuracy requires a combination of documentation formats for staff and a clear understanding of coding directions. Klusch suggested a few key steps:

- Establish specific current data collection processes.
- Evaluate interdisciplinary team competency and understanding of specific requirements.

5 STEPS TO MDS PRECISION

- Look for patterns of information data discussion without reference in the medical record.
- Document case discussions held in meetings in the medical record.
- Pay attention to timeframes for data collection and reproducibility.
- Build understanding of assessment reference dates and communicate with the team (possibly through a morning meeting).
- Be very specific and clear about assessment assignments, documentation formats, and job responsibilities for all members of the interdisciplinary team.
- Include assessment responsibilities in job descriptions.
- Ensure that organizational charts show assessment processes and responsibilities.

Klusch stressed, "You need to write down who is responsible for coding. This 'who is responsible' piece is very important for you and your team to understand, including section-by-section coding documentation responsibilities." She further suggested, "Pay particular attention to those items that have changed. Make time for training people who are involved in each section." Then go back into your records and check to make sure these items are being coded correctly. Finally, she offered, "Make sure passwords are carefully communicated within your management structure and your MDS department and in your operational documentation."

STEP 3 Understand the Timeliness and Assessment Types

Some assessments have changed, and there now is a three-day assessment reference period. Assessment types have been added, and there have been significant terminology changes related to demographics and high acuity service. There are specific functional questions about transportation as well.

STEP 4 Be Aware of These Payment Issues

According to Klusch, reading Chapter 6 of the current RAI Manual is essential to help facilities understand HIPPS codes and PDPM payment specifics for coding. Klusch pointed out some historical payment loss issues:

- Mood interview changes (from October 1, 2023)
- Documentation of the 14-day look-back at the time of admission assessment is frequently missing
- GG coding updates and definitions

5 STEPS TO MDS PRECISION

- Diagnosis coding (CMS mapping changes, effective October 1, 2024); these codes were changed from Medical Management (PT/OT)
  - E88.10 Metabolic Syndrome
  - E88.811 Insulin Resistance Syndrome
  - E88.818 Other Insulin Resistance
  - E88.819 Insulin Resistance Unspecified
- NTA documentation (may be changing October 2025)

"There are items in these areas that are very important for us to look at and make sure we understand the changes. Everyone needs to be up to date and everything must be documented accurately using terminology on the MDS assessment form or in the RAI Manual," Klusch stressed.

Klusch said, "You have to make sure that your MDS process is very sensitive to CMS mapping updates. Your facility's audit history is being reviewed constantly by regulators, and that is very important for you to realize." She suggested facilities familiarize themselves extensively with Chapter 8 of the Medicare Benefit Policy Manual, which "needs to drive all your decisions about whether someone is covered for Part A Medicare skilled services at admission during the entire Part A stay."

STEP 5 Ensure Your Current Data Collection Process is Accurate

This is especially critical if you have new members of your interdisciplinary team and they're making decisions about who's to be admitted. Remember these skilled nursing facility (SNF) documentation requirements:

- **Physician certification.** Certification statements must contain individual needs in terms of skilled nursing care or other skilled rehabilitation services. They must be signed and dated on admission or as soon as is reasonable and practical. The routine admission order is not a certification. If there is a delay, include an explanation, including medical or other relevant evidence necessitating the delay.

- **Physician recertification (as necessary).** The first recertification should be obtained by the 14th day after admission. Subsequent recertification should be obtained no later than at 30-day intervals. Recertification should be signed and date and a reason for the recertification and any plan for discharge included. If there is a delay, include an explanation, including medical or other relevant evidence necessitating the delay.

5 STEPS TO MDS PRECISION

- **Therapy documentation.** This includes plans of treatment, start of therapy care plan, progress toward goals, including treatment dates and times as well as specified skilled services. Specific interventions and progress documentation must be in the record.

- **Supporting documentation.** Documentation includes nurse's notes, hospital information, MDS, physician orders and progress notes, dietary documentation, and medication, treatment, and wound care records. Medical record documentation, including information on the MDS, creates a clinical picture of each beneficiary for the reviewers. According to Klusch, "A clinical picture identifies functional limitations, complications, cognitive factors, length and history of present illness, complexity of treatment regimen, previous functioning level, limitations due to decreased strength, hospital discharge information, teaching needs, rehabilitation goals, etc."

Looking ahead, Klusch noted that four new Social Determinants of Health (SDOH) items and one modified item will be added to the SNF QRP starting in Fiscal Year 2027. This includes item on living situations, food, and utilities to better understand and address residents' needs. The changes will require updates to the MDS 3.0 effective on October 1, 2025. New items to be added include:

- What is your living situation today?
- Within the past 12 months, were you worried that your food would run out before you got money to buy more?
- Within the past 12 months, did the food you bought not last and you didn't have enough money to buy more?
- In the past 12 months, did the electric, gas, oil or water company threaten to shut off services to your home?

CARE PLANNING: 5 TIPS

1. Individualized care plans should address strengths and weaknesses, possible reversible causes such as deconditioning, and adverse effects of medications or other treatments.

2. For some residents, cognitive deficits can limit their ability or willingness to initiate or participate in self-care or restrict understanding of tasks required to complete ADLs.

3. Individual care plans should be based on an accurate assessment of the resident's self-performance and amount/types of supports being provided.

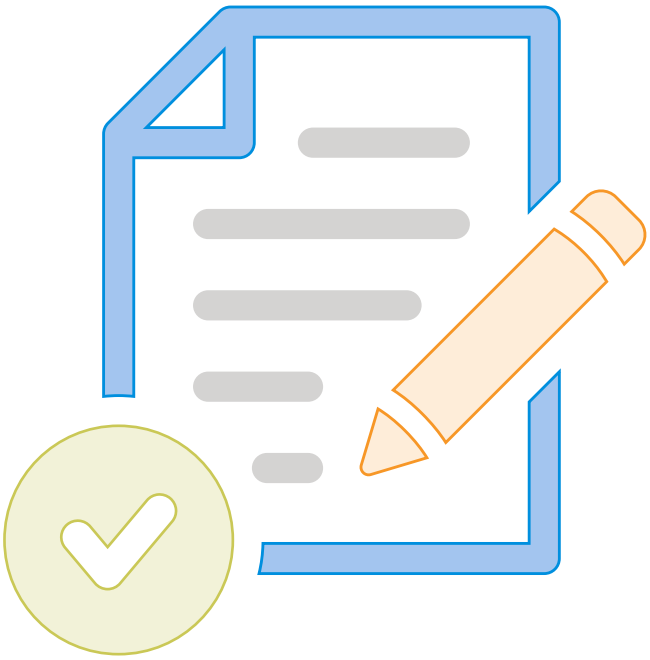
4. Various devices and/or aids may enable many residents to require lower levels of assistance if these are provided appropriately.

5. Most residents are candidates for rehab care that can help them maintain and even expand self-involvement in ADLs.

MDS PROCESS BEST PRACTICES

Klusch offers some tips on keeping the MDS process on track and moving forward:

1. Evaluate current leadership and communication to the entire team.
2. Make the MDS manager accountable to the administrator for operational and fiscal issues as well as the DON for clinical issues.
3. Ensure front-line staff and nursing leadership on the unit know definitions and measurements required by the regulations and the current RAI manual. Documentation formats should be specific to MDS requirements.
4. Make sure assignments for assessment tasks and interviews include information from the current 2024 RAI manual. Assessment reference dates and look-back periods must be documented.
5. Schedule work in the MDS office that includes new tasks, fewer repeat assessments and increased time to complete assessments.



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