Survival Tips for Late or Missed PPS MDSs

Caralyn Davis, BA, Staff Writer

With nurse assessment coordinators facing a labyrinth of rules for scheduling PPS MDS assessments plus heavy patient caseloads and multiple job responsibilities, the question isn't will you have late or missed assessments, but do you understand what they are and how do you handle them when they happen? The answer is critical because these assessments can have significant financial implications for Medicare Part A residents, says **Michelle Synakowski**, LNHA, RN, C-NE, RAC-MT, a policy analyst and consultant with LeadingAge New York in Latham.

For a PPS assessment to be timely vs. late or missed, "the assessment reference date (ARD) must be set during the defined ARD window plus grace days," says Synakowski. For example, the ARD for the 5-day PPS MDS must be set during days 1 – 8 of the resident's Medicare Part A stay (i.e., the official ARD window of days 1 – 5 plus grace days 6 – 8). Need a refresher on the allowable ARDs for scheduled and unscheduled PPS assessments? Review the chart on pages 2-42 – 2-44 of the *RAI User's Manual*.

Setting the ARD "means actually completing item A2300 on an assessment form, either on a paper copy or in the computer," says Synakowski. "If that does not occur, then the assessment is either late or missed."

Unfortunately, there is still a fairly widespread misconception that timeliness hinges on when an assessment is completed, points out **Amy Franklin**, RN, RAC-MT, AHIMA ICD-10 trainer and corporate compliance director of reimbursement for Metron Integrated Health in Grand Rapids, Mich. "But whether an assessment is *completed* timely has nothing to do with Medicare payment. A late assessment in terms of Medicare payment occurs when an ARD is outside of the last day of the window when you're allowed to schedule it. It's the ARD that needs to be timely."

That type of misunderstanding can result in facilities billing default unnecessarily, stresses Franklin. "So MDS nurses need to take the time to read the *RAI Manual* and then seek out experts who are trained to the manual if they have questions. One way to do that is through the AANAConnect communities." Pages 6-53 – 6-55 of the *RAI Manual* define late vs. missed and discuss the payment implications, and pages 2-73 – 2-75 address scheduling issues.

Late or missed – what's it mean?

"The difference between late and missed assessments is really the difference between being able to bill the default rate for some or all of the days in the payment block, or being provider liable and getting no payment for some or all of the days in the payment block," says Synakowski.

To determine whether a PPS MDS is late or missed, and the impact it will have, four key questions must be answered, says Synakowski. They are as follows:

1. Has the resident's Medicare coverage ended?
2. How many days late is the assessment?
3. Has the payment period ended for which the assessment was meant to pay?
4. Has there been another intervening assessment that started paying in that same payment period?

The first question determines whether an assessment is missed completely or can be scheduled late, notes Synakowski. "If the resident is no longer on Medicare Part A, it is a missed assessment with immediate provider liability."

A missed assessment is the worst-case scenario for Medicare payment, notes Franklin. "CMS has defined only six instances where providers may bill default without a Medicare-required PPS assessment. If the resident is no longer on original Medicare, you should go to page 6-54 of the *RAI Manual* and see if your situation fits one of the six exceptions that allow you to bill Medicare."

However, if the resident remains on Part A, the final three questions can be used to determine how much financial damage will occur with a late assessment, explains Synakowski. "It is important that any assessment, no matter how late, be completed as long as the resident is still covered by Medicare."

Depending on the answers to the four questions, here are some common payment scenarios that could result:

Scenario 1: The assessment wasn't set within the ARD window but is still within the associated payment period window. There is no intervening assessment, and the resident is still Medicare-covered.

"This assessment is considered late, and the facility will default the number of days that that assessment is late," says Synakowski. For example, the 30-day PPS MDS wasn't set within the allowed ARD window of days 27 -33 but is six days late and still within the payment period window of days 31 – 60. "The facility would bill the default code AAA00 for six days, starting with the first day of the payment block, then bill the HIPPS code on the late MDS for the remaining 24 days," she explains.

Scenario 2: The assessment wasn't set within the ARD window, and the associated payment window has passed. There is no intervening assessment paying any part of the payment block, and the resident is still Medicare-covered.

"The assessment is considered late, and the facility will default for the entire payment block," says Synakowski. For example, if the 30-day PPS MDS wasn't discovered as late until day 61 of the resident's Medicare stay, "the facility would bill the default code AAA00 for 30 days (i.e., days 31 – 60)."

In this scenario "where you recognized the 30-day PPS MDS was late on day 61, the ARD would be set on day 61 even though it is out of the payment window," notes Franklin. "This is required in order to maintain adherence to *RAI Manual*'s assessment schedule, which in turn gives the right to bill for the 30 days as default."

Scenario 3: The assessment wasn't set within the ARD window, and the associated payment window has passed. However, an intervening assessment is paying part of the payment block, and the resident is still Medicare-covered.

Continuing with a 30-day payment block example, "if the intervening assessment is paying for the last eight days (days 53 – 60), the late assessment would have paid the first 22 days (days 31 – 52), so the default code AAA00 would be billed for the 22 days that the late assessment should have covered," says Synakowski.

Scenario 4: The assessment wasn't set within the ARD window, and the resident is no longer covered by Medicare when the assessment is discovered as late.

"Once a resident is off Medicare Part A coverage, the *late* assessment becomes a *missed* assessment," says Synakowski. "Again, the facility is provider-liable for the days covered by the assessment. Provider liable means the facility cannot get any payment for the days, not even the default rate, and the facility cannot bill anyone else for those days."

Missed or late assessments shouldn't occur too frequently, so it's OK to not know how to handle them, says Franklin. "The key is to find the relevant instructions in the *RAI Manual* and to read what it states without taking away or adding words in your head. I've sometimes done that myself — added in words that changed the meaning of the instructions. So it doesn't matter how up-to-date you are with your training. You still need to read when you want to make a decision about what to do. You're already in default or worse, so take an extra 10 minutes to get the next steps right."

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1 **Marise Teves** *07 Aug*
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