

An introduction to rehabilitation in the USA

Financement de la réadaptation: Quelles classification des patients?

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3M Health Information Systems

3M Innovation

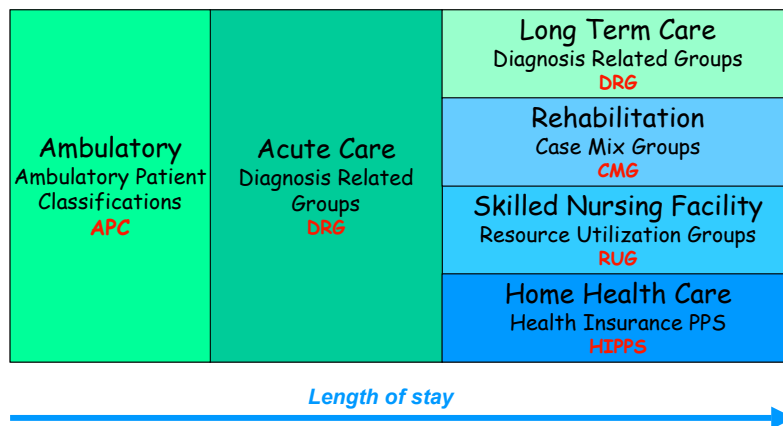
Agenda

- PPS in the USA
- Casemix Groups for inpatient rehabilitation
- Challenges & issues
- References
- Q&A

PPS in the USA

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Prospective Payment Systems (PPS)



PPS Goals

- Insure access to high quality care
- Encourage efficient delivery of care
- Compensate for care delivery equitably
- Do not create any perverse incentives

PPS issues

- Different types of patients require specific payment systems
 - Ambulatory
 - Acute Care
 - Post Acute Care
 - Rehabilitation
 - ...
- The determination of type of patient requires criteria
 - Length of stay
 - Type of procedure
 - Type of treatment
 - ...

PPS issues (Cont'd)

- The different payment systems require each their minimum basic data set (MBDS)
 - ➔ All data elements need to be collected
- Specific types of patients require specific data to be collected
- The ability to describe the patient in the MBDS requires different coding schemes
 - ➔ ICD
 - ➔ CPT
 - ➔ PCS
 - ➔ HCPCS
 - ➔ ...

Case Mix Groups for inpatient rehabilitation

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Rehabilitation in the USA

- Approx. 1200 Inpatient Rehabilitation Facilities (IRF)
 - ➔ Approx. 880 are units within acute care hospitals
- Cost-based payment system until 2001
 - ➔ evaluation of each case
- Since 1/1/2002 implementation of PPS based on Case Mix Groups (CMGs)

Inpatient Rehabilitation Facility (IRF)

- Criteria for qualifying as IRF
 - ➔ 10 specific diagnoses must be present amongst 75% of the patients (75% rule)
 - ➔ Is being challenged
- Criteria for admission
 - ➔ Patient must endure minimum 5 hours of rehabilitation per day during 3 days
 - ➔ Pre-admission to check if patient fits in the institution
 - Patient Assessment Instrument must be completed
 - The observation period is generally 3 days unless otherwise specified
 - Performed by a clinician

Patient Assessment Instrument (PAI)

- Questionnaire
 - ➔ 54 detailed questions
- Upon admission
 - ➔ to classify patient into CMG
 - Motor scores
 - Cognitive scores
- At discharge
 - ➔ to determine comorbidities
 - ➔ has effect on pay rate



Payment Parameters

- Payment is per stay based on PAI
 - ➔ Initial classification is Rehab Impairment Category (RIC)
 - Primary reason for inpatient rehab stay (Stroke, fracture)
 - 21 RIC codes
 - ➔ RICs further divided into
 - 95 Case Mix Groups (CMGs)
 - 5 groups for atypical stays (short stays and expired patients)
 - ➔ Each CMG further amended based on comorbidity diagnoses
 - ➔ PAI electronically submitted after discharge
- Reimbursement covers routine, ancillary, & capital costs associated with the stay

Case Mix Groups (CMG)

- Represent clinical characteristics and expected resource needs
- CMGs are based on:
 - ➔ Rehabilitation Impairment Code (RIC)
 - ➔ Age
 - ➔ Motor score
 - ➔ Cognitive score
 - ➔ Comorbidities

Effect of Comorbidities

- 961 comorbidities impact payment
 - ➔ 20 tier 1: high cost (vent, tracheotomy)
 - ➔ 573 tier 2: moderate cost (TB, gangrene, dialysis)
 - ➔ 368 tier 3: low cost (cardio-pulmonary, viral pneumonia)
- Each comorbidity assigned a tier level
 - ➔ Tier level 1 through 3
 - ➔ Tier 1 has largest effect on LOS and resources
- Multiple comorbidities reported
 - ➔ Highest comorbidity tier level is applied to reimbursement

Payment Rates

- CMGs are linked to relative payment weights
- Standardized adjustments
 - ➔ Case level
 - Interrupted stay
 - Transfer cases
 - Short stay cases
 - Expired cases
 - ➔ Facility level
 - Area wage variations
 - Facilities located in rural areas
 - Outlier
 - Low income
 - ➔ Other
 - Low income patients
 - Cost outliers

CMG Patient Summary Screen

The screenshot shows the 'Patient Code Summary' window in the 3M Coding and Reimbursement System. The window title is '3M Coding and Reimbursement System' and the version is 'Rev: 03.07.01'. The main content area displays patient information and diagnosis lists. Annotations with arrows point to various elements:

- CMG:** Points to the 'CMG 0109' field.
- RIC, HIPPS, AIGC:** Points to the 'RIC 01', 'HIPPS 80109', and 'Associated Impairment Group Code 013 Bilateral Involvement' section.
- Reimbursement detail:** Points to the 'Estimated Reimbursement -- Inpatient Rehab' section, which includes 'Total Est: \$34568.99', 'Outlier Amt: \$0.00', 'Charge Threshold: \$105716.97', 'Tier Level: 1', and 'Typical Payment'.
- Diagnosis List:** Points to the 'Admit Diagnosis' and 'Principal Diagnosis' sections.
- Co-morbidity affecting reimbursement (*):** Points to the 'Secondary Diagnoses' section.
- Etiological Diagnosis:** Points to the 'Secondary Diagnoses' section, specifically to the entry '431-EDX ULTRACEREBRAL HEMORRHAGE; (EDX ETIOLOGICAL DIAGNOSIS)'.

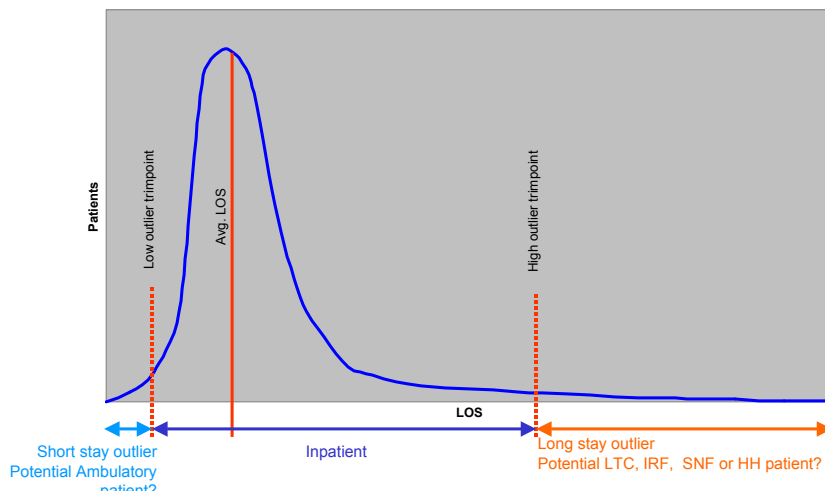
The right-hand side of the window contains a vertical toolbar with buttons: 'Add Admit Dx', 'Add Diagnosis', 'Add Procedure', 'Compute CMG', 'Next Patient', 'Patient Info', 'Default Print', 'Custom Print', and 'Help'. The bottom status bar shows 'NUM 10:38 AM'.

Challenges & issues

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Acute care as point of reference

Typical distribution of an acute care DRG



Pressure from CMS

- CMS: Centers for Medicare & Medicaid Services formerly HCFA (Health Care Finance Administration)
- Different long term care options:
 - ➔ Long Term Acute Care (LTAC)
 - ➔ Inpatient Rehabilitation Facility (IRF)
 - ➔ Skilled Nursing Facility (SNF)
 - ➔ Home Health (HH)
- All long term care facilities have PPS in place
- PPS payment rates in decreasing order:
 - ➔ LTAC – IRF – SNF – HH
- CMS is looking to tighten the reimbursement rates
 - ➔ Challenging LTAC facilities

Long Term Acute Care (LTAC)

- LTAC and IRF have similar PPS policies based on
 - ➔ Patient groups
 - LTAC: DRGs
 - IRF: CMGs
 - ➔ Inlier/outlier
 - ➔ Payment weights
- LTAC facilities are successful
 - ➔ The number of LTAC facilities are increasing
- Alternative for LTAC are Skilled Nursing Facilities (SNF)
 - ➔ Lower PPS rates

References

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Web links

- CMS
 - ➔ <http://cms.hhs.gov/providers/irfpps/default.asp>
- Regulations
 - ➔ <http://www.snfinfo.com/ppsrc/index.cfm#Inpatient>
- American Medical Rehabilitation Providers Association
 - ➔ <http://www.amrpa.org/>
- Uniform Data System for Medical Rehabilitation
 - ➔ <http://www.udsmr.com/>

IRF Acronyms List

- ADL activities of daily living
- ARD assessment reference date
- BBA balanced budget act of 1997 (public law 105-33)
- BBRA Medicare, Medicaid, & SCHIP balanced budget refinement act of 1999 (public law 106-113)
- BIPA Medicare, Medicaid, and SCHIP benefits improvement & protection act of 2000 (public law 106-554)
- CMG case-mix group
- CMI case-mix index
- CMS centers for Medicare & Medicaid services, formerly HCFA (health care financing administration)
- DSH disproportionate share variable
- FIM functional independence measure
- FRG function-related group FY fiscal year
- HIPAA health insurance portability & accountability act of 1996 (public law 104-191)
- HIPPS health insurance prospective payment system (rate code)
- ICD-9 international classification of diseases 9th revision
- IGC or AIGC impairment group category or associated impairment group category

IRF Acronyms List (Cont'd)

- IRF inpatient rehabilitation facility
- LIP low income patient adjustment
- MDCN Medicare data collection network
- MDS-PAC minimum data set for post-acute care, replaced by inpatient rehabilitation facility patient assessment instrument (IRF PAI)
- MSA metropolitan statistical area
- PAI patient assessment instrument
- PIP periodic interim payment
- RIC rehabilitation impairment category
- TEFRA tax equity and fiscal responsibility act of 1982 (public law 97-248)
- UDSmr uniform data set for medical rehabilitation

New ICD-9-CM Aftercare Codes Effective 10/1/2002

- V54.10 Aftercare for healing traumatic fracture of arm, unspecified
- V54.11 Aftercare for healing traumatic fracture of upper arm
- V54.12 Aftercare for healing traumatic fracture of lower arm
- V54.13 Aftercare for healing traumatic fracture of hip
- V54.14 Aftercare for healing traumatic fracture of leg, unspecified.
- V54.15 Aftercare for healing traumatic fracture of upper leg
- V54.16 Aftercare for healing traumatic fracture of lower leg
- V54.17 Aftercare for healing traumatic fracture of vertebrae
- V54.19 Aftercare for healing traumatic fracture of other bone

New ICD-9-CM Aftercare Codes Effective 10/1/2002 (continued)

- V54.20 Aftercare for healing pathologic fracture of arm, unspecified
- V54.21 Aftercare for healing pathologic fracture of upper arm
- V54.22 Aftercare for healing pathologic fracture of lower arm
- V54.23 Aftercare for healing pathologic fracture of hip
- V54.24 Aftercare for healing pathologic fracture of leg, unspecified.
- V54.25 Aftercare for healing pathologic fracture of upper leg
- V54.26 Aftercare for healing pathologic fracture of lower leg
- V54.27 Aftercare for healing pathologic fracture of vertebrae
- V54.29 Aftercare for healing pathologic fracture of other bone

New ICD-9-CM Aftercare Codes Effective 10/1/2002 (continued)

- V54.81 Aftercare following joint replacement
- V54.89 Other orthopedic aftercare
- V58.42 Aftercare following surgery for neoplasm
- V58.43 Aftercare following surgery for injury and trauma
- V58.71 Aftercare following surgery of the sense organs, NEC
- V58.72 Aftercare following surgery of the nervous system, NEC
- V58.73 Aftercare following surgery of the circulatory system, NEC
- V58.74 Aftercare following surgery of the respiratory system, NEC
- V58.75 Aftercare following surgery of the teeth, oral cavity, and digestive system, NEC
- V58.76 Aftercare following surgery of the genitourinary system, NEC

New ICD-9-CM Aftercare Codes Effective 10/1/2002 (continued)

- V58.77 Aftercare following surgery of skin and subcutaneous tissue, NEC
- V58.78 Aftercare following surgery of the musculoskeletal system, NEC