

Healthcare Regulatory Update – 2010

Presented by
Amper's Healthcare Services Group



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Healthcare Regulatory Update – 2010

- ▶ Overview of Topics
 - Healthcare Reform
 - Ambulatory Services
 - Hospital Services
 - Compliance Concerns



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▶ Healthcare Reform

- Senate Finance Committee – America’s Healthy Future Act of 2009 – Passed by Committee October 13, 2009
- Senate HELP Committee – Affordable Health Choices Act – Passed by Committee July 15, 2009
- House Tri-Committee – America’s Affordable Health Choices Act of 2009 – Passed by Committee June 19, 2009



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- ▶ Ambulatory Services
 - Medicare Administrative Contractors (MACs) expected to increase audits of physicians
 - Tips to handle increased audits
 - Consults linked to confusion and documentation concerns
 - E-prescribing 2010 requirements
 - Advanced imaging providers 2012 accrediting requirements



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▶ Ambulatory Services

- CMS to increase PQRI measures by 22 and eliminate 7 measures for 2010
- CMS approves national sleep test coverage
- Observation claims to be reviewed
- Senate Finance Committee .5% pay boost
- Clearly document E/M services
- Rogue ware threat to computers
- Revenue declined in medical practices for 2008



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- ▶ Ambulatory Services
 - HIV screening tests
 - New CMS enrollment forms
 - RAC's reviewing infusion therapy
 - Tips to prepare for a RAC demand level
 - Higher level E/M codes utilization
 - Incident-to billing reviewed by OIG
 - PECOS system to enroll in Medicare
 - Top challenges for physicians per MGMA



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- ▶ **Ambulatory Services**
 - Repeal of CMS physician payment formula blocked by the Senate



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▶ Hospital Services

- Pulmonary and intensive cardiac rehab services provided outpatient departments
- Uninsured 20% of ER visits
- Moody's ratings downgrades exceed upgrades for three quarters in a row
- Proposed outpatient rule increases the conversion factor by 2.1% for hospitals submitting quality data



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▶ Hospital Services

- Proposed outpatient rule increases the conversion factor by .1% for hospitals not submitting quality data
- The 2010 outpatient outlier threshold payment increases to \$2,225
- Standard & Poor's 2008 median ratios worsened across all rating categories
- Forecasted decrease for inpatient volumes and modest increases in outpatient volumes



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▶ Hospital Services

- The market basket rate increase for inpatient hospitals is 2.1% for 2010 for hospitals submitting quality data
- The market basket rate increase for inpatient hospitals is .1% for 2010 for hospitals not submitting quality data
- The hospital national capital rate will have a net increase of 1.4%
- Hospital ER overcrowding to increase



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▶ Hospital Services

- Full capital IME adjustment for teaching hospitals
- Numerous MS-DRG weight changes will effect individual hospital reimbursement
- Outlier payment threshold for inpatient increased to \$23,140 in 2010
- EMTALA transfer sanctions waived for various emergency situations
- Fitch maintains downgrades for not-for-profit sector for the next 12 to 24 months



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▶ Hospital Services

- \$1.2 Billion released for implementation of Electronic Health Records (EHR)
- Proposed bundled payments for outpatient dialysis services
- More hospital discharges with shorter stays
- RAC audits have started for Region A
- CMS expected to tell States that hospitals may be exempt from NDC code collection for Medicaid patients



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- ▶ Compliance Concerns
 - OIG gainsharing options for physicians
 - Medicaid Integrity Contractors (MIC's)
 - OIG overpayments to physicians for place-of-service codes
 - Home Health Fraud and Abuse
 - CMS to stop payment on claims by nonparticipating providers
 - Interventional Radiology coding errors



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- ▶ Compliance Concerns
 - Perform a RAC risk assessment
 - Focus on E/M documentation
 - Administration of HIPAA Security rule delegated to the Office of Civil Rights (OCR)
 - Notification required to individuals for health information breaches
 - Medical fraud a minimum of \$60 Billion a year



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- ▶ Compliance Concerns
 - New rules protect patients genetic information – GINA 2008



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 - Compliance Concerns



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▶ Contact Information

- Michael J. McLafferty CPA, MBA, FACMPE, CHFP
Partner, Healthcare Services Group

McLafferty@Amper.com

732-598-8858

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