Is Your Case Mix Covered?:

Five Ways CMI Now Effectively Manages Case Mix and Reimbursement and Improves Compliance

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EXECUTIVE SUMMARY

In today’s healthcare environment, providers are faced with financial deficits, declining reimbursement and constant regulatory change. Amidst this flurry of activity, improving their Case Mix Index (CMI) can appear as an insurmountable challenge. Add to that the fact that healthcare organizations in New York or New Jersey have more complex Medicaid Case Mix systems than other states, and the result is a need for help in maximizing both clinical and financial results.

Currently, more than 30 states use the MDS and case mix for Medicaid reimbursement, and both New Jersey and New York are part of this group. As such, facilities in these states need to be mindful of how their residents appear on “picture” and “Resident Roster quarter” dates. This means making sure the right tools are in place to proactively monitor and manage the respective CMI between picture dates and Resident Roster quarter dates to provide the best quality care for residents.

It goes without saying that accurate data is necessary to avoid financial losses. If ADLs are under-coded, reimbursement suffers. Many facilities under-code because staff doesn’t understand the importance of ADL coding, doesn’t receive timely feedback and/or simply hasn’t received proper training. Connecting with a service that uses a patented process to analyze every MDS assessment prior to CMS agency submission will help facilities be certain of MDS data accuracy before billing activities occur.

This paper outlines how the innovative CMI Now tool, developed by PointRight in conjunction with Zimmet Healthcare helps facilities in New York and New Jersey effectively manage their Medicaid Case Mix and associated reimbursement – in real-time. CMI Now is a proactive tool that allows users to see the whole picture of each resident by presenting the average case mix based on current MDS data so that facilities can compare their current CMI to previous CMI and weigh performance with peers and last review date.
THE OUTCOME  In a perfect world, facility CMIs would be as accurate as possible to generate the maximum appropriate reimbursement. In reality, without a systematic means of ensuring accurate coding and a clear picture of how this impacts reimbursement, facilities risk losing critical dollars and/or committing unintentional fraud.

THE EXPLANATION  Although not all states use the MDS and case mix for Medicaid reimbursement, New Jersey and New York do and as a result, facilities in these states need to be cognizant on how residents look for picture dates and Resident Roster quarters.

THE CONCLUSION  New York and New Jersey facilities can’t afford to be unprepared when it comes to CMI. Skilled predictive data analytics tools and reimbursement insights can guide facilities as they look further into the whole picture of the resident, by turning their knowledge of CMI into an effective management strategy.

In a perfect world, facility CMIs would be as accurate as possible to generate the maximum appropriate reimbursement.
New York and New Jersey have state-specific rules which make it crucial for facilities to have the right tools to predict and manage future reimbursements in their case mix. As previously mentioned, accurate data is absolutely critical to avoid financial losses and allegations of fraud, and to provide the best clinical outcomes for residents. This means paying close attention to indicators of acuity and ensuring they are captured on the MDS data. Consider for example ADLs; flow sheets, handheld devices and kiosks can’t ensure that ADLs are correctly coded if the coder is not educated on item definitions. If ADLs are under-coded, reimbursement can suffer. PointRight’s Data Integrity Audit (DIA) tests for coding errors and identifies where items may need to be changed. A combination of DIA to ensure that the MDS coding is accurate, and CMI Now to help manage where facilities are with CMI and reimbursement means that facilities can easily compare their current CMI to previous time periods and make sure they are positioned to maximize reimbursement and provide quality care.
Another area relevant specifically to New York is categorical rate add-ons. The Long-Term Care Community Coalition (LTCCC) recently announced a collaborative agreement with the New York Department of Health to require nursing homes to document expenditure of any add-ons to the rates for dementia and bariatric residents. In compliance with New York state requirements, CMI Now New York allows facilities to proactively monitor and manage CMI by improving the accuracy of the capture of these rate add-ons. This also includes analysis of how many residents in the Medicaid census qualify for the add-on, which can be used to the facility’s advantage when planning program development and future budgets.

CMI Now is uniquely designed to meet the needs of facilities in New York and New Jersey by providing:

**REAL-TIME INFORMATION**

- Monitor your average Case Mix Index as it is taking place, no more surprises following the rate setting review
- Improve the capture of bariatric and dementia rate “add-ons” (NY only)
- View your average case mix based on current MDS data by RUG group
TREND DATA

- Compare your current CMI to previous time periods of your choice
- View Medicaid resident census over time

State-specific rules make it crucial for facilities to have the right tools to predict and manage future reimbursements
BENCHMARKING

- Compare your facility’s performance to that of your peers and your last picture date
- View DIA to investigate MDS coding that may indicate losses
- Conduct “what-if” analysis to quantify the annualized reimbursement impact of a future census or acuity shift
- Manage “group level” performance from multiple facilities with your organization

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What-If Average Medicaid CMI
1.0120

CMII Change
0.0620

Annualized Reimbursement Impact (1)
$228,110

(1) Calculated using the Case Mix Point Value for your Facility as specified on the Medicaid Reimbursement Rate page. To update these settings click here. If you see "No..." then this data is missing.

You are currently performing an Acuity Shift Analysis because the What-if number of residents is equal to the Current number of residents in your facility and you have modified the resident distribution among the individual RUG.

The values in the Current/Number Medicaid Residents column include Medicaid and Medicaid Pending residents.

<table>
<thead>
<tr>
<th>RUG</th>
<th>Case Mix Index</th>
<th>Current</th>
<th>What-if</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number Medicaid Residents</td>
<td>Percent Residents</td>
<td>Current CMI</td>
</tr>
<tr>
<td>Rehabilitation</td>
<td>1.660</td>
<td>1</td>
<td>1%</td>
</tr>
<tr>
<td></td>
<td>1.310</td>
<td>7</td>
<td>7%</td>
</tr>
<tr>
<td></td>
<td>1.240</td>
<td>4</td>
<td>4%</td>
</tr>
<tr>
<td></td>
<td>1.070</td>
<td>8</td>
<td>8%</td>
</tr>
</tbody>
</table>

Extensive Services

Special Care

- (* Asterisk) indicates RUG in which What-if census does not match current census.

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“What-If” Analysis (NJ)
The following grid summarizes five ways that CMI Now can help providers effectively manage case mix reimbursement for facilities in New York and New Jersey. Familiarity with these details will position your facility to best serve residents, grow market share and achieve or exceed operational and financial goals.

<table>
<thead>
<tr>
<th>Details</th>
<th>Rationale</th>
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<tbody>
<tr>
<td>1. Data accuracy</td>
<td>Correct data is necessary to avoid financial losses. Simply put, if ADLs are under-coded, reimbursements can suffer. CMI Now uses DIA to ensure that MDS coding is accurate for all items, focusing on the accurate capture of resident acuity.</td>
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<tr>
<td>2. Connects improved MDS accuracy and improved acuity</td>
<td>When accurate MDS data is used, the result is improved acuity. CMI Now helps facilities provide improved quality care for residents.</td>
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<td>3. No surprises in case mix reimbursement</td>
<td>CMI Now allows providers to “see” future reimbursement payments in real time. Combined with DIA, CMI Now helps facilities achieve accurate payments with less scrutiny from state auditors.</td>
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<tr>
<td>4. Interdisciplinary capabilities</td>
<td>CMI Now can be used by different staff members to meet resident needs. Administrators, DONs and Case Mix Managers can all use this tool to see CMI unfold in real time. Online tools allow drill in to resident history, MDS data, and past case mix giving the IDT team access to critical information, without adding MDS software licensing fees.</td>
</tr>
<tr>
<td>5. Capacity for program analysis</td>
<td>CMI Now’s “what-if” capability helps staff to make predictions and “crunch” the numbers to determine the path that leads to full reimbursement, helps establish budgets for program development and directs the facility toward the highest level of clinical outcomes.</td>
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ABOUT PointRight

PointRight provides data analytics and Web-based tools that measure risk, quality of care, compliance and reimbursement accuracy of the long-term care corporation, division or facility. Using some of the largest and best databases in the industry, our nationally recognized clinical staff, researchers, and technologists expertly translate disparate data into usable information and insight. PointRight provides analytics to answers from the bedside to the boardroom.

ABOUT Zimmet Healthcare Services Group, LLC

Zimmet Healthcare Services Group, LLC assists Skilled Nursing Facilities (SNFs) in the development of financial and clinical systems for maximizing reimbursement, improving operational efficiency and maintaining the integrity of the Medicare and Medicaid programs. Zimmet provides comprehensive financial, clinical and operational reimbursement support services to more than 1,000 SNFs nationwide. For more information, visit www.zhealthcare.com.

QUESTIONS?

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