Home Health Agency Alert: The Review Choice Demonstration Project start dates for Ohio, Texas, North Carolina and Florida are Around the Corner!

(August 7, 2019): This article further updates our articles of February 19th and April 9th on the announcement by CMS of the implementation of the new five year ***"Review Choice Demonstration Project'*** in five states – Illinois, Ohio, Texas, North Carolina and Florida, and the start date for the Demonstration Project in Illinois.

I. Background of the Review Choice Demonstration Project:

As background, the Review Choice Demonstration Project is an outgrowth of the Pre-Claim Review Demonstration Project that was initiated in Illinois in August 2016 and paused in April 2017. Instead of continuing the Pre-Claim Review Demonstration, the Centers for Medicare and Medicaid Services (CMS) announced a new initiative – the Review Choice Demonstration Project to be phased in for the five states listed, above.

Under the Review Choice Demonstration Project, agencies in the affected states will initially select from three options to have their home health claims reviewed:

- Pre-claim review;
- Post-payment review; or
- Minimal post-payment review with a 25% reduction.

After each six-month period agencies with a 90% affirmation or approval rate will be able to choose from two additional options that may be preferable depending upon the circumstances of each agency. Our February 19th article discusses each of these options.

II. Illinois Home Health Claims are Under the Microscope:

The Review Choice Demonstration Project initially began in Illinois on June 1 for all episodes of care beginning on that date. Prior to that date, Illinois agencies were required to make a selection as to the initial option that they chose for this period between April 17 and May 16.

On July 29, 2019, CMS announced that Ohio will be the second State to implement the Review Choice Demonstration Project. Home health agencies in Ohio will have from August 16th to September 15th to select an option for the first six-month period, which will begin on September 30, 2019 for all episodes of care starting on or after that date. Any agency that fails to select an option during this period will be assigned to the second option, above – post-payment review.[1]

CMS also announced that it anticipates 60 – 90 days between beginning the Demonstration in the remaining states of Texas, North Carolina and Florida, and will provide 60-days' notice in advance of the start date. While the announcement is somewhat unclear as to whether this period will be spread out for each remaining state or that all three will start on the same date, it is clear that agencies in each of those states and Ohio should begin planning now for that implementation if they have not already done so.

CMS has published links to the Palmetto GBA portal for selecting and registering an option during this period as well as a number of additional resources at https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Review-Choice-Demonstration/Review-Choice-Demonstration-for-Home-Health-Services.html.

III. Planning for Implementation – Especially in Light of PDGM:

Our February 19th article goes into greater depth in explaining the various options. However, most importantly, both articles emphasize the importance of thinking through which option makes the most sense for your agency.

Each one presents risks and benefits and the correct choice may differ depending upon the agency's comfort and experience with denials and documentation, as well as operational capability – the one exception being that the third option – a 25% rate reduction, does not appear to be viable for any agency. Our earlier articles also sets forth several examples of those risks and benefits and while not exhaustive, is meant to focus agencies on the thought process that your agency will want to consider in making this determination. We thus cannot strongly enough recommend that each agency take the necessary time to consult with knowledgeable individuals both internal and external in making this determination for each 6-month period, and not wait until the last minute to do so.

Of equal, or perhaps greater, importance is the need for agencies in affected states to have procedures in place to prepare and quickly access documentation to properly support coverage for the cases that they take, and to move this documentation through the system quickly, accurately, and comprehensively. This is especially important given the advent of the Patient- Driven

Groupings Model (PDGM) on January 1, 2020. For example, coding will be a key issue in driving coverage and payment, and "getting it right" in your documentation will be critical. Also, addressing initial non-affirmation determinations quickly for agencies that select option 1 will be critical.

Finally, agencies should be updating their compliance and quality assurance programs to respond both to the PDGM payment model and to the Review Choice Demonstration Program.

Liles Parker attorneys have substantial experience in advising and working with home health agencies in preparing them for the audit process which is similar to the process that they will need in responding to the Review Choice Demonstration Project, and in identifying the risks of choosing one option in relation to the others. For example, one of the additional two options available to agencies that score above the 90% affirmation or approval level in options 1 or 2 during a 6-month period may result in the inadvertent development of a statistical sample that can be utilized to broaden the scope of any denials and recovery. A number of our attorneys are also Certified Professional Coders who have substantial experience in evaluating home health claims documentation. Finally, we have substantial experience in working with home health agencies in developing and updating their compliance plans.

Any person wishing a free consultation in this area should contact Michael Cook, the author of this article and Co-chair of the Health Care Group. Michael Cook can be reached at (202) 298-8750 and mcook@lilesparker.com**.**

[1] We would also note that there was a misprint in our article of April 9. That article inadvertently referenced that Illinois providers failing to make a choice during the initial registration period would be assigned to the third option. The corrected reference is to the second option.