

Loeb & Troper's MDS Update

February 2010

Overview

Medicaid rates recently issued by the New York State Department of Health (DOH) effective April 1, 2009, include the impact of a Medicaid-only case mix. This is the first time DOH has issued "Medicaid-only" rates and many facilities have seen a dramatic rate reduction as a result of moving from a full-house case mix to a Medicaid-only case mix.

Background and Key Dates

DOH utilizes the MDS data associated with the facility census as of a particular "picture" date to calculate a facility-specific case mix for Medicaid rate-setting purposes. As a result, it is essential to ensure the accuracy and completeness of all input components associated with the case mix calculation.

"Picture" Date	Medicaid Rates Effective Dates	Status
January 28, 2009	April 1, 2009 – June 30, 2009	Facility submission complete. Included in Medicaid rates effective April 1, 2009.
July 29, 2009	July 1, 2009 – March 31, 2010	Facility submission complete. Medicaid rates have not been updated to date.
January 27, 2010	April 1, 2010 ¹ (current law) January 1, 2010 ² (proposed)	Facility submission process March/April 2010.
July 28, 2010	July 1, 2010	Facility submission process August/September 2010.

¹ Under current law, the January 2010 case mix will be used effective April 1, 2010, along with implementation of the Regional Pricing reimbursement system.

² The Executive Budget for SFY 2010–2011 proposes to postpone Regional Pricing until March 1, 2011, and proposed to use the January 2010 case mix for rates effective January 1, 2010.

Action — January 27, 2010 and July 28, 2010 Picture Dates

With the January 27, 2010 case mix picture date upon us, there is a short window of opportunity to make corrections to the MDS data before the DOH freezes the MDS database.* It is anticipated that DOH will freeze the database approximately one to two weeks before April 5, 2010 (the date facilities are required to upload the picture date census). It is imperative that corrections are made as soon as possible. We recommend that facilities:

1. Review the accuracy of the most recent MDS for each patient on census while the window for MDS corrections is still open.

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2. Ensure that submissions of the picture date census are in accordance with instructions provided by DOH and within established deadlines.
3. Review the accuracy of the data provided by DOH at the time the census is uploaded to the HPN network. At the time the census is uploaded, DOH will provide:
 - Assessment Reference Date (ARD) of matched MDS;
 - The RUG-III of each matched MDS using New York weights;
 - The facility's responses to:
 - Section S5 (Specialty)
 - Section S6 (Enhanced Reimbursement)
 - Section S7 (Payor)
4. Once the facility receives the data from DOH, there will be a final opportunity to:
 - Correct and resubmit the census roster, if necessary;
 - Correct Sections S5, S6, and S7. Data must be accurate based on residents' status on the assessment reference date (ARD) regardless of subsequent changes in status.
 - Identify those residents with a dementia/Alzheimer's diagnosis (as applicable) if the diagnosis was not included on the MDS selected for rate-setting purposes. (Dementia/Alzheimer's diagnoses appear on comprehensive assessments only.)

** The DOH will "freeze" the MDS database for the purpose of establishing a database from which to extract the MDS data for rate-setting purposes. Corrections submitted by facilities after the freeze date will not be used for Medicaid rate-setting purposes.*

WHAT LOEB & TROPER CAN DO TO HELP

Loeb & Troper clinical and financial consultants are available to answer questions regarding this process and to assist with roster audits and/or MDS reviews for accuracy and completeness. We will continue to provide updates as they become available.

If you have questions or would like further information, please contact:

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Date-sensitive material.
Based upon information available on 2/16/10.

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