EHR – AUDITS, OPPORTUNITIES, AND ROADMAPS

// HFMA - Temple
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BACKGROUND

// Programs funded through ARRA / HITECH Acts
// Nationally – funding of over $21 Billion
// Payments for both the Medicare and the Texas Medicaid EHR programs began in Program Year 2011
// Texas was one of the first states to get its Medicaid EHR program approved and up and running in 2011
// Through November 2013 Texas has received more than $775 Million from Medicare and $563 Million from Medicaid for EHR incentives ($1.3 Billion!)
// Other Interesting facts
  // Program Year 2015 is the last year for a hospital or provider to initially enter the Medicare EHR program to receive incentive payments
  // Program Year 2016 is the last year for a hospital or provider to initially enter the Medicaid EHR program to receive incentive payments

AGENDA

// Background – Size and scope of the EHR programs, etc.
// Audits – 4 different EHR audits
  // Medicare Meaningful Use Audits
    // 5% of country each program year
    // Figliozzi and Company – CMS selected audit contractor
    // All or Nothing!
    // Medicaid payments at risk as well
  // Medicare settlement audits
    // Every cost report with a HIT settlement gets at least a desk review!
    // Novitas performs the audits
    // First round of on-site / in-house audits completed in February
    // Charity, Gross Revenue, and Days targeted
    // Allowed assets for CAHs inconsistent
AGENDA

// Audits - continued
// Medicaid payment audits
// Able to be requested by a hospital or provider through a Payment Adjustment Request (PAR)
// CGI, the Texas Medicaid EHR program vendor, performs many of the audits
// Davila, Buschhorn & Associates out of Austin selected by HHSC to perform post payment Medicaid EHR audits

// OIG EHR audits
// Can be either Medicare or Medicaid
// Four year strategic plan released in November identified EHR as a “key focus area” until at least 2018
// Providers that have received either Medicare or Medicaid incentive payments identified as a “priority area”

// Opportunities – exist for both Medicare and Medicaid
// Medicare
// Medicare MHO day issues – affects both PPS and CAH hospitals
// Multiple other days issues – cost report inconsistencies

// Medicaid
// Hospitals are able to file a PAR – average $250K benefit across more than 60 filed
// CGI has had many errors implementing the program including incorrect instructions
// Improper inclusion / exclusion of many types of days (employee days, hospice, sub-provider, nursery, Medicare HMO, Medicaid MCO, PCCM, etc. etc. etc.)
// CGI instructed many hospitals to use an incorrect reporting period (affects all three years of payments!)
// Federal regulations eased the requirements to get into the Medicaid program

// CAH Method II Physicians
// Now eligible for incentives and / or penalties!
AGENDA

// “Roadmaps”
// More and more hospitals and systems requesting an EHR “Roadmap”
  // Hospital specific timeline
  // Deadlines
  // Receivables / Payables from interim payments
  // Asset review for CAHs
  // Accounting Entries
  // Board of Directors one page summary
  // Board of Directors presentation
  // Evaluation of if, and/or how, to proceed to Stage 2
  // Must have!

AUDITS – MEANINGFUL USE COMPLIANCE

// Background
  // Who are the CMS auditors
  // Figliozzi and Company, CPA
// This is not an IT exam
// The general hospital mindset
  // It’s OK – everyone seems to have made good faith effort
  // Turns out maybe not
// Another round due
  // 5%
  // 95%
AUDITS – MEANINGFUL USE COMPLIANCE

// Process
  // Audit notice
  // Respond within x days
  // Exam
  // Findings typically after x days
  // Response
  // Failure = CMS appeal
    //One shot

// All or nothing
// There are hospitals faced with major Medicare repayments
// Medicaid will also ask for its money back
// Possible look to previous / future years if failure
// Don’t go it alone
  // We have seen several hospitals (outside Texas)
  // Likely should have passed
  // Final submission was erroneous
AUDITS – MEANINGFUL USE COMPLIANCE

What have we learned from this most recent round?

Fix it at the Figliozzi level. They seem to have more latitude than at the CMS level.

Organize your response

Don’t use only a checklist type approach

Important to have submission reviewed by someone outside of IT

What have we learned from this most recent round?

Take a hard look at your Security Risk Assessment (SRA)

Lots of issues

Have to document compliance during attest period

It’s hard to fix after the fact

Follow up on internal findings

DOCUMENT! CONTEMPORANEously!

There are some mitigating strategies
AUDITS – MEANINGFUL USE COMPLIANCE

// What have we learned from this most recent round?
  // evaluate your response
// We have seen erroneous responses
  // Hospital providing a failing stat and thought they complied
// Need for knowledgeable outside, presubmission review
// Need for knowledgeable outside appeal assistance

// Failure to consider alternative measures
// Failure on one may be mitigated by appropriate substitutions (sometimes)
// Figure it out before you submit
AUDITS – MEANINGFUL USE COMPLIANCE

// What about the 95%
// Prepare annually for audit
// Have your data externally reviewed and packaging evaluated
// Result is audit preparedness

AUDITS - MEDICARE SETTLEMENT AUDITS

// 100% chance!
// All cost reports with a HIT settlement will receive a minimum of a HIT desk review or possibly an in-house or on-site audit
// Novitas performed
// Can be very detailed – Charity, Gross Revenue, and Days targeted – over 500 Megabytes of data for one hospital
// Allowed assets inconsistent – don’t self disallow!
// Just completed round for 9/30/11 year ends
// Desk reviews of 12/31/2011 have recently begun
AUDITS – MEDICARE SETTLEMENT AUDITS

What have we learned:
- Novitas and Trail Blazer did not communicate very well.
- Your vendor documentation –
  - Some of the vendors are really problematic
  - Make sure documentation accurately reflects allowed and non-allowable.
  - Get it clear on front end rather than at audit

AUDITS - MEDICARE SETTLEMENT AUDITS

Charity (yes, once again)
Sample taken
Novitas asserted PRM 15-1 312 and failed just about everyone
Final rule excluded 312
That did not seem to matter
Much discussion with CMS
Reverted back to hospital policy
Consider how to document compliance with 312 where possible.
AUDITS - MEDICARE SETTLEMENT AUDITS

// Results are variable – Charity important some years some hospitals, less in others

// Charity
  // There is an interaction between charity, cost report and EMR (as well as other things)
  // Rural hospitals still fall short in capturing

// DOCUMENTATION REVIEW – YOU NEED TO!
  // Or they will try to hang you on your own policy

// Need for use of presumptive measures

AUDITS – MEDICAID PAYMENT AUDITS

// CGI considers Payment Adjustment Requests (PARs) to be payment audits

// Notification can be after the initial audit is complete by a demand letter

// Davila, Buschhorn & Associates selected by HHSC to perform post payment audits
AUDITS – OIG EHR AUDITS

// Announced in 2014 OIG Workplan
// EHR incentives are an OIG ‘key focus area” until at least 2018
// Areas of focus to include:
  // Medicare and Medicaid incentive payments
  // Security controls over medical devices to protect PHI (examples include dialysis machines and medication dispensing systems)
  // Determine extent of EHR documentation vulnerabilities in Evaluation and Management (E&M) coding
  // Security of portable devices such as laptops to protect PHI

OPPORTUNITIES - MEDICARE

// Medicare HMO or Part C days
  // More than half of the smaller hospitals across the country are not reporting any Part C days
  // Most larger hospitals don’t capture all of their Part C days
  // Rapid expansion of the Medicare HMO plans
  // Additional reimbursement can exceed $1,000 / day
  // Data scrub patient level data and compare against PS&R Report Type 118
// Other days issues
  // Including hospice and employee days diluting denominator
Approximately 60 Texas hospitals have recovered
  On average approximately $250,000 each
  From Texas Medicaid Program
Early implementers
Texas Contractor
  CGI (yes, it seems to be the same one)
  Revision to instructions not carried back
If you have not checked your situation
  early adopter or not,
you may have some opportunity

Days issues
  Employee days
  Hospice days
  Other sub-provider days
  Nursery days
  Medicare HMO days
  Medicaid MCO days
  Medicaid PCCM days
Reporting period issues
  Eased requirements to get into the Medicaid EHR Program
  CAH Method II physicians
ROADMAP

// You need to develop a time line or road map to aid in your planning
   // Financial
   // Compliance
// Things begin to steam roll after initial year
// Missed deadlines or failure to complete certain actions = lost opportunity.

ROADMAP

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THANK YOU

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