



THE POWER OF BEING UNDERSTOOD

REGULATORY RECOVERY SERVICES

Many providers miss out on significant reimbursement opportunities due to ineffective Medicare reimbursement strategies. Regulatory recovery matters are complex and often require specialized skills and an in-depth understanding of Medicare rules and regulations.

How can we help?

RSM's regulatory recovery services are designed to identify high-impact Medicare cost report-related opportunities, including Medicare disproportionate share, bad debts, transfer DRG, and other related issues. Our services can address the following challenges:

- **Medicare DSH, SSI**
 - Organizational strategies that do not maximize DSH reimbursement
 - Complexities of DSH statute and Medicare auditor documentation requirements
 - Ineffective front-end processes for collecting critical patient data and multiple payer documentation
 - Confusion regarding eligibility requirements and applicability of various state programs
 - Ineffective, inefficient and costly back-end processes to recapture lost DSH reimbursement
 - Known errors in the SSI ratio
- **Medicare bad debts**
 - Collection strategies and accounting processes may be designed with an incomplete understanding of Medicare bad debt requirements
 - Incomplete patient data or misdirected transaction codes can result in losing written-off accounts
 - Issues with the design and maintenance of Medicare bad debt logs
 - A lack of understanding of the Medicare audit process, as well as Medicare sampling and error extrapolation procedures that can lead to excess losses through adjustments
 - Documentation requirement differences among Medicare bad debt populations (traditional, cross-over, charity care)
- **IME/GME shadow billing support**
 - Teaching hospitals are required to submit a shadow claim to receive indirect and graduate medical education payments from Medicare when the patient is enrolled in a Medicare advantage plan
 - Shadow billing is an issue because the provider must identify Medicare advantage IME claims and code the claims correctly before processing
 - Not identifying all accounts can impact medical education reimbursement on the cost report
 - Also impacts the managed care, nursing and allied health payment opportunity
 - A review of internal data and Medicare advantage claims in the common working file can identify shadow billing issues

- **Medicaid EHR incentive payment**
 - The electronic health records incentive program provides incentive payments to eligible professionals and eligible hospitals as they demonstrate meaningful use of certified EHR technology
 - Acute care hospitals must attest annually that Medicaid encounter volume is 10 percent of total for a 90-day period in the previous year
- **340B pharmacy discount**
 - Section 340B limits the cost of covered outpatient drugs to certain federal grantees, federally-qualified health center look-alikes and qualified hospitals
 - Participation in the program results in significant savings estimated to be 20 to 50 percent of the cost of pharmaceuticals for safety-net providers.
 - One qualification is a DSH adjustment percentage of 11.75 percent
- **Wage index**
 - Adjusts Medicare reimbursement for differences in area wage costs
 - Hospitals must review costs, hours, contracts and other related documents to ensure the wage index is accurate
 - Occupational Mix Survey must be completed every three years and impacts the wage index based on the skill mix of the hospital's employees
- **Transfer DRG**
 - Post-acute care transfer policy now applies to 273 MS-DRGs
 - Patients do not always receive the intended care planned at discharge.
 - CMS will identify overpayments, but it is the hospital's responsibility to identify and rebill underpayments within timely filing
 - Generally 1 to 3 percent of Medicare discharges were underpaid, with an average underpayment of \$2,000 per claim

Your benefits

Regulatory recovery services can help hospitals:

- Increase cash and improve the timing of future reimbursement
- Reduce Medicare audit related issues
- Maintain compliance with Medicare regulations

Can regulatory recovery services help your organization?

If these questions resonate with your organization, our team can help. Contact us today.

- What is your current DSH process for obtaining Medicaid and SSI eligibility?
- How are your traditional, cross-over and charity bad debt lists compiled?
- Do you have Medicare audit issues related to these items?
- What is your process for recouping transfer DRG underpayments?

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