

Home Health Agency Activities in the OIG's 2011 Work Plan

OCTOBER 1, 2010

The U.S. Department of Health and Human Services Office of the Inspector General (the "OIG") released its Work Plan for 2011 on October 1, 2010. The Work Plan sets forth various enforcement priorities and issues that the OIG will review in the coming year. This bulletin outlines the OIG's priorities relating to home health agencies ("HHAs").

- **Medicare Part B Payments to Outside Suppliers.** Medicare regulations require that most services and non-routine medical supplies furnished to Medicare beneficiaries during home health episodes are included in the prospective payment received by the HHA. The prospective payment includes items or services provided by outside providers. The OIG's Office of Evaluations and Inspections ("OEI") will be reviewing Medicare Part B payments to identify whether outside suppliers are being inappropriately reimbursed for items or services that are included in the prospective payment made to HHAs.
- **Accuracy of Home Health Resource Groups.** The rate at which HHAs are reimbursed is determined, in part, by a patient's Home Health Resource Group ("HHRG") category. The HHRG in which a patient is categorized depends upon the care and resource needs of the patient. The OEI will be assessing the accuracy of HHRGs submitted for Medicare beneficiaries.
- **Oversight of OASIS Data.** HHAs are required to conduct comprehensive patient assessments that include Outcome and Assessment Information System ("OASIS") data and submit that data to the Centers for Medicare and Medicaid Services ("CMS"). The OASIS data reflects HHAs' performance in helping patients regain or maintain their ability to function and perform activities of daily living. CMS also uses the OASIS data to set HHAs' prospective payment rates. The OEI will be reviewing CMS' process for ensuring that HHAs submit accurate and timely OASIS data.
- **Medicare Enrollment.** The OIG previously reviewed Medicare enrollment data of durable medical equipment ("DME") suppliers and found that DME suppliers omitted or provided inaccurate information on Medicare enrollment applications. The OIG also found that these DME suppliers were often associated with HHAs through shared owners or managers. The OEI will now be reviewing HHA enrollment information to determine if CMS and state contractors are identifying and preventing the enrollment of questionable HHA applicants.
- **Health Screening of Medicaid Home Health Workers.** The OIG's Office of Audit Services ("OAS") will be reviewing HHAs' health screening records to ensure that HHAs are screening their workers in accordance with federal and state requirements.

In addition to these priorities, the Work Plan also indicates that the OIG will be reviewing HHAs' compliance with the home health prospective payment system, including billing for the appropriate

location of the services provided. The OIG also announced that it will be reviewing profitability trends of HHAs.

HHAs should take note of the priorities that the OIG has announced, as these priorities may result in enforcement actions or changes in governmental payors' policies.

For more information on the OIG's Work Plan for 2011, its priorities, Medicare and Medicaid program integrity initiatives in general, or assistance with responding to an OIG, OEI or OAS inquiry relating to any issue, please contact a member of Benesch's Health Care Department:

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