Enhancing the Bottom Line with RAC-CT Certification

There are many reasons your nursing staff pursue professional certifications. Earning a certificate or designation validates their high-level of expertise, improves confidence, and develops a foundation for best practices. But did you know there are also benefits to your facility – particularly when your nurse assessment coordinator (NAC) becomes Resident Assessment Coordinator- Certified (RAC-CT®) through the American Association of Nurse Assessment Coordination (AANAC)?

NACs are responsible for ensuring MDS accuracy and overseeing the RAI process, which are key drivers in the quality of care provided by your facility and the financial health of your organization. In this paper, we will provide examples of how MDS accuracy affects your bottom line and the value a RAC-CT nurse brings to your organization by understanding the complexities of the RAI process.

**Traditional Medicare Part A Payment**

**Example: Not setting the assessment reference date (ARD) in the allowable window**

There can be significant financial impact for selecting an ARD that is not optimal or not in the correct window, or for missing an ARD altogether. SNFs cannot use ARDs outside the Medicare benefit period except in situations when the ARD for an unscheduled PPS assessment falls on a leave-of-absence day. If the resident dies or is discharged, the ARD may be no later than the day of discharge/death.

**Late ARD:** The ARD is set on a date after the allowable ARD window and results in default payment for the number of days the assessment is late, including the ARD of the late assessment.

*Federal Urban Rates:*
- RVB = $453.02
- Default = $201.50

Difference = $251.52 for 3 days = **$754.56 loss** of payment for facility

**Early ARD:** The ARD is set on a date before the allowable ARD window and results in default payment for the number of days the assessment is early, including the ARD of the early assessment.

*Federal Urban Rates:*
- RVA = $451.27
- Default = $201.50

Difference = $249.77 for 9 days = **$2,247.93 loss** of payment for facility
Missed Assessment: The ARD was not set during the Medicare benefit period and results in the provider being liable for all of the days billable to this assessment. (There are six exceptions when the provider can bill default RAI page 6-55)

**Federal Urban Rates:**
R VB = $453.02  
CE2 = $401.32  

Difference = $51.70 per day = $1,244.20 loss of until end of payment period

Missed adding the therapy resumption to an End of Therapy Assessment: If nurse did not make certain that EOT-R completed, facility could be paid at the CE2 level rather than the RVB for the remaining 26 days of the Medicare stay.

**Federal Urban Rates:**
R UB = $609.80  
Default = $201.50  

Difference = $408.30 for 2 days = $816.60 loss of payment for facility

Example: Not utilizing Medicare Short Stay Policy appropriately

The Medicare short stay policy allows providers to bill at a rehab level if the stay is less than eight days and the resident was not able to receive therapy services for the required five days of therapy to achieve a rehab level.

When the facility fails to utilize the Medicare Short Stay policy, the reimbursement will be at a nursing RUG level due to there was not enough days of therapy provided to achieve a rehab RUG level. However, if the assessment is appropriately named to meet the criteria of a Medicare short stay, RAI page 6-19, the provider is able to bill a therapy RUG level starting on the date of the first therapy evaluation. The difference in revenue can be more than $200 depending on the nursing RUG level achieved and the rehab level achieved utilizing the allocated minutes in chapter six of the RAI User’s Manual.

Example: Inaccurate Activities of Daily Living (ADLs)

The Medicare RUG grouper contains 66 RUG levels, all of which are impacted by the ADL Index. The ADL index is a calculation of the late loss ADLs (bed mobility, transfer, eating, and toileting) located on page 6-25 of the RAI User’s Manual. Each of the therapy RUG levels have an ADL end split of either A, B or C.

www.AANAC.org
The “A” level end split indicates the most independent ADL status, while the “C” level end split indicates the most dependent ADL status and “B” is in between. The different between a rehab ultra-high with “A” ADL (RUA) and rehab ultra-high with “B” ADL (RUB) is nearly $100 per day.

RUB (ADL 6) = $609.80
RUA (ADL 5) = $509.89

$99.91/day x 30 days - $2,997 x 20 residents = $59,946 loss

Example: Inaccurate coding of active diagnoses or services received

Many of the 66 RUG levels for Medicare utilize diagnosis and services provided and if the skilled resident is not receiving therapy services, the accuracy of coding the diagnoses or conditions of the resident can result in loss of payment.

Capturing isolation on the MDS with at least an ADL index 2 will meet the criteria for extensive services RUG ES1 and pay $513.50 per day. However, if isolation not coded on the MDS and the resident on meet the criteria for clinical complex RUG such CB1, the rate would $285.46. For a Medicare stay lasting 14 days, this would be a revenue loss of $3,193.

A resident is receiving respiratory therapy for at least 15 minutes a day for each of the 7 days during the look-back period and met the criteria special care high, the ADL index is a “B” level and the PHQ-9 Mood interview determines the final end splint. If the mood interview was completed and indicated depression symptoms the resident would be an HB2, $421.15 per day. However, if the PHQ-9 interview was not completely during the look-back period, the resident would be HB1, $354.17. If this was completed on the 14-day MDS, this would assessment pays for 15 days and the revenue loss would be $1,004.70.

Example: Lack of following federal regulations for timely completion of the assessments

If MDSs not completed timely, accurately, or completely – facility can get cited in certification surveys resulting in substantial civil money penalties. The penalties climb if CMS can link adverse events or undesirable outcomes to the lack of an accurate assessment or identify there is a pattern or widespread problem. The civil money penalties for category 2 D, E, F or G tags can range from $50-$3,000/ day or $1,000-$10,000/ instance. The daily penalty can be imposed until the plan of correction and revisit confirms compliance.