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?