



CMS announces restart of Review Choice Demonstration for Ohio home health agencies

July 15, 2020

Home health agencies (HHAs) in Ohio had a brief reprieve from the audits of their Medicare claims under the Review Choice Demonstration (RCD), but that reprieve is about to end. On July 7, 2020, CMS [announced](#) that the RCD will resume “regardless of the status of the public health emergency” as of August 3, 2020. Ohio is one of the five states included in the RCD, which began in the state in September 2019.

The RCD is a demonstration program that CMS implemented following what it called “extensive evidence” of fraud and abuse in the Medicare home health program, including in the demonstration states. According to CMS, the RCD “helps ensure that the right payments are made at the right time for home health service through either pre-claim or postpayment review, protects Medicare funding from improper payments, reduces the number of Medicare appeals, and improves provider compliance with Medicare program requirements.

Under the RCD, HHAs in demonstration states were initially required to make a choice as to how they wanted their claims to be reviewed:

- Pre-claim review
 - All billing periods are subject to pre-claim review.
 - Unlimited resubmissions are allowed for non-affirmed decisions prior to submission of the final claim for payment.

- More than one billing period of care may be requested on one pre-claim review request for a beneficiary.
- Claims associated with a provisionally affirmed request will not undergo further medical review, except in limited circumstances.
- Postpayment review (*default if nothing selected)
 - 100 percent of claims are reviewed after the final claim submission.
 - Once the claim is submitted, Palmetto GBA will process the claim for payment then ask via an Additional Documentation Request (ADR) for the HHA to submit medical records. If a response to the ADR is not received, an overpayment notification will be issued. After each six-month period, a claim approval rate will be calculated and communicated to the HHA.
- Minimal postpayment review with a 25 percent payment reduction
 - HHAs remain in this option for the five-year duration of the demonstration.
 - 100 percent of claims have a 25 percent payment reduction.
 - Providers that make this selection will be excluded from regular MAC targeted probe and educate reviews but may be subject to potential Recovery Audit Contractor review.

Then, every six months, if the HHA's results from the prior review period are 90 percent or greater approved/affirmed, the HHA can select one of the three subsequent review choices:

- Pre-claim review
- Selective postpayment review (*default if nothing selected)
 - A random sample of claims will be chosen for review every six months.
 - Providers who select this option will remain in this option for the duration of the demonstration.
- Spot check review
 - Every six months, five percent of a provider's claims are randomly chosen for review.
 - Providers may remain in this option as long as they continue to show compliance with Medicare coverage rules and guidelines.

Home health agencies in Ohio will be able to select the type of review for the state's second review cycle from August 3, 2020, to August 17, 2020. Following the choice selection period, home health claims in Ohio with billing periods beginning on or after August 31, 2020, will be subject to review under the requirements of the choice selected.

Authors

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