

Index of HCS Resource Material

1. **Summary of Proposed PPS Changes** – provides a brief summary of the payment changes between the existing PPS regulations for home health and the proposed regulations published on April 27, 2007.
2. **HHRG Rates** – provides a chart of the 153 new HHRGs separated into the 5 different payment groups with their corresponding case weights.
3. **Clinical Dimension** – provides a cheat sheet of all OASIS questions impacting the Clinical Dimension severity level and their respective scoring by group. See below for link to complete listing of Clinical diagnosis codes by category.
4. **Functional & Service Dimensions** - provides a cheat sheet of all OASIS questions impacting the Functional and Service Dimension severity levels and their respective scoring by group.
5. **Domain Scoring** – provides a chart of the scoring necessary for each severity level for the Clinical, Functional and Service domains.
6. **Sample Diagnoses** – provides a single sample code for each separate Diagnosis category used in scoring the Clinical Dimension as well as the Non-Routine Supply (NRS) payment.
7. **NRS Payment** – provides a list of all questions applicable to determining the Non-Routine Supply payment, their applicable scoring and the conversion of the total scores to actual payment rates.
8. **NRS Diagnoses** – provides a full list of the diagnoses affecting the Non-Routine Supply (NRS) payment.
9. **Full Payment Calc** – provides a detailed example of how the full episode payments are calculated.
10. **LUPA Rates** – provides the current and proposed 2008 LUPA base rates.
11. **LUPA Payment Calc** – provides a detailed example of how the LUPA payment is calculated including the LUPA add-on payment.

External Links:

[Federal Register Proposed Rule](#)

Clinical Diagnoses – Pages 25372-25386 of the Federal Register

Proposed Changes to the Medicare Home Health Prospective Payment System (PPS) for 2008

Impacts on Reimbursement



Proposed Changes to the Medicare Home Health PPS for 2008

□ Two Parts

- 2007/2008 Crossovers
- Episodes Beginning **and** Ending in 2008



2007/2008 Crossovers

- 2007 Base Rate - \$2,339.00
 - Adjusted for:
 - ☞ 2.9% Market Basket Increase
 - ☞ 2.75% Decrease for “upcoding”
 - ☞ 5% outlier policy (+.65%)

- 2007/2008 Crossover Rate - \$2,355.96
 - For episodes beginning in 2007 and ending in 2008

- Essentially impacts episodes for a two-month period.



Episodes Beginning and Ending in 2008

□ PPS Payment

- Base Rate - \$2,300.60 (\$55.36 less than Crossovers)
- Taken out of Base Rate are dollars for:
 - LUPA "Add-on"
 - Non-Routine Supply Payment
 - Elimination of SCICs

□ Non-Routine Supply (NRS) Payment

- 5 severity levels paying from \$12.96 to \$367.34

□ Potential LUPA "Add-on"

- For initial or stand-alone episodes

□ Outlier Payments



PPS HHRG Payment

- Effective beginning January 1, 2008
 - 153 HHRGs vs. 80
 - 5 groups of HHRGs vs. 1 group
 - “Early” and “Late” Episodes
 - Multiple Therapy Thresholds
 - 3 **C**linical severity levels vs. 4
 - 20 Diagnosis groups vs. 4
 - Co-morbidities
 - Functional and Service dimensions impact
 - 3 **F**unctional severity levels vs. 5
 - Entirely new **S**ervice dimension



Proposed 2008 PPS HHRG Classifications and Case Weights

| Episode # Ther Grp | (G)roup 1 | | | (G)roup 2 | | | (G)roup 3 | | | (G)roup 4 | | | (G)roup 5 | | |
|-----------------------|---|--------|-----------------------|--|----------|-----------------------|--------------------------------------|--------|-----------------------|---------------------------------------|----------|-----------------------|-----------------------------------|--------|-----------------------|
| | 1st or 2nd Episode 0 - 13 Therapy Visits | | | 1st or 2nd Episode 14 - 19 Therapy Visits | | | 3rd Episode 0 - 13 Therapy Visits | | | 3rd Episode 14 - 19 Therapy Visits | | | Any Episode 20+ Therapy Visits | | |
| | HHRG | Weight | Actual Ther Visits | HHRG | Weight | Actual Ther Visits | HHRG | Weight | Actual Ther Visits | HHRG | Weight | Actual Ther Visits | HHRG | Weight | Actual Ther Visits |
| C1F1S1 | 0.5549 | 0-5 | C1F1S1 | 1.5074 | 14 or 15 | C1F1S1 | 0.6474 | 0-5 | C1F1S1 | 1.5106 | 14 or 15 | C1F1S1 | 2.308 | 20+ | |
| C1F1S2 | 0.7742 | 6 | C1F1S2 | 1.694 | 16 or 17 | C1F1S2 | 0.9307 | 6 | C1F1S2 | 1.6387 | 16 or 17 | | | | |
| C1F1S3 | 0.965 | 7-9 | C1F1S3 | 1.814 | 18 or 19 | C1F1S3 | 1.1226 | 7-9 | C1F1S3 | 1.8232 | 18 or 19 | | | | |
| C1F1S4 | 1.1582 | 10 | | | | C1F1S4 | 1.3087 | 10 | | | | | | | |
| C1F1S5 | 1.3251 | 11-13 | | | | C1F1S5 | 1.4768 | 11-13 | | | | | | | |
| C1F2S1 | 0.6512 | 0-5 | C1F2S1 | 1.6251 | 14 or 15 | C1F2S1 | 0.8294 | 0-5 | C1F2S1 | 1.682 | 14 or 15 | C1F2S1 | 2.521 | 20+ | |
| C1F2S2 | 0.8705 | 6 | C1F2S2 | 1.8117 | 16 or 17 | C1F2S2 | 1.1127 | 6 | C1F2S2 | 1.8101 | 16 or 17 | | | | |
| C1F2S3 | 1.0613 | 7-9 | C1F2S3 | 1.9317 | 18 or 19 | C1F2S3 | 1.3045 | 7-9 | C1F2S3 | 1.9946 | 18 or 19 | | | | |
| C1F2S4 | 1.2544 | 10 | | | | C1F2S4 | 1.4906 | 10 | | | | | | | |
| C1F2S5 | 1.4213 | 11-13 | | | | C1F2S5 | 1.6587 | 11-13 | | | | | | | |
| C1F3S1 | 0.7212 | 0-5 | C1F3S1 | 1.6941 | 14 or 15 | C1F3S1 | 1.0063 | 0-5 | C1F3S1 | 1.812 | 14 or 15 | C1F3S1 | 2.7655 | 20+ | |
| C1F3S2 | 0.9405 | 6 | C1F3S2 | 1.8807 | 16 or 17 | C1F3S2 | 1.2896 | 6 | C1F3S2 | 1.9401 | 16 or 17 | | | | |
| C1F3S3 | 1.1313 | 7-9 | C1F3S3 | 2.0007 | 18 or 19 | C1F3S3 | 1.4815 | 7-9 | C1F3S3 | 2.1246 | 18 or 19 | | | | |
| C1F3S4 | 1.3244 | 10 | | | | C1F3S4 | 1.6676 | 10 | | | | | | | |
| C1F3S5 | 1.4914 | 11-13 | | | | C1F3S5 | 1.8357 | 11-13 | | | | | | | |
| C2F1S1 | 0.7219 | 0-5 | C2F1S1 | 1.7419 | 14 or 15 | C2F1S1 | 0.7085 | 0-5 | C2F1S1 | 1.8057 | 14 or 15 | C2F1S1 | 2.5617 | 20+ | |
| C2F1S2 | 0.9412 | 6 | C2F1S2 | 1.9285 | 16 or 17 | C2F1S2 | 0.9918 | 6 | C2F1S2 | 1.9338 | 16 or 17 | | | | |
| C2F1S3 | 1.132 | 7-9 | C2F1S3 | 2.0485 | 18 or 19 | C2F1S3 | 1.1837 | 7-9 | C2F1S3 | 2.1182 | 18 or 19 | | | | |
| C2F1S4 | 1.3251 | 10 | | | | C2F1S4 | 1.3698 | 10 | | | | | | | |
| C2F1S5 | 1.4921 | 11-13 | | | | C2F1S5 | 1.5378 | 11-13 | | | | | | | |
| C2F2S1 | 0.8181 | 0-5 | C2F2S1 | 1.8596 | 14 or 15 | C2F2S1 | 0.8904 | 0-5 | C2F2S1 | 1.977 | 14 or 15 | C2F2S1 | 2.7748 | 20+ | |
| C2F2S2 | 1.0374 | 6 | C2F2S2 | 2.0463 | 16 or 17 | C2F2S2 | 1.1737 | 6 | C2F2S2 | 2.1051 | 16 or 17 | | | | |
| C2F2S3 | 1.2282 | 7-9 | C2F2S3 | 2.1662 | 18 or 19 | C2F2S3 | 1.3656 | 7-9 | C2F2S3 | 2.2896 | 18 or 19 | | | | |
| C2F2S4 | 1.4214 | 10 | | | | C2F2S4 | 1.5517 | 10 | | | | | | | |
| C2F2S5 | 1.5883 | 11-13 | | | | C2F2S5 | 1.7198 | 11-13 | | | | | | | |
| C2F3S1 | 0.8881 | 0-5 | C2F3S1 | 1.9286 | 14 or 15 | C2F3S1 | 1.0674 | 0-5 | C2F3S1 | 2.107 | 14 or 15 | C2F3S1 | 3.0192 | 20+ | |
| C2F3S2 | 1.1074 | 6 | C2F3S2 | 2.1153 | 16 or 17 | C2F3S2 | 1.3507 | 6 | C2F3S2 | 2.2351 | 16 or 17 | | | | |
| C2F3S3 | 1.2983 | 7-9 | C2F3S3 | 2.2352 | 18 or 19 | C2F3S3 | 1.5426 | 7-9 | C2F3S3 | 2.4196 | 18 or 19 | | | | |
| C2F3S4 | 1.4914 | 10 | | | | C2F3S4 | 1.7287 | 10 | | | | | | | |
| C2F3S5 | 1.6583 | 11-13 | | | | C2F3S5 | 1.8967 | 11-13 | | | | | | | |
| C3F1S1 | 0.9329 | 0-5 | C3F1S1 | 2.0541 | 14 or 15 | C3F1S1 | 0.9166 | 0-5 | C3F1S1 | 2.1214 | 14 or 15 | C3F1S1 | 2.9149 | 20+ | |
| C3F1S2 | 1.1522 | 6 | C3F1S2 | 2.2407 | 16 or 17 | C3F1S2 | 1.1999 | 6 | C3F1S2 | 2.2495 | 16 or 17 | | | | |
| C3F1S3 | 1.343 | 7-9 | C3F1S3 | 2.3607 | 18 or 19 | C3F1S3 | 1.3918 | 7-9 | C3F1S3 | 2.434 | 18 or 19 | | | | |
| C3F1S4 | 1.5362 | 10 | | | | C3F1S4 | 1.5779 | 10 | | | | | | | |
| C3F1S5 | 1.7031 | 11-13 | | | | C3F1S5 | 1.746 | 11-13 | | | | | | | |
| C3F2S1 | 1.0291 | 0-5 | C3F2S1 | 2.1718 | 14 or 15 | C3F2S1 | 1.0986 | 0-5 | C3F2S1 | 2.2928 | 14 or 15 | C3F2S1 | 3.1279 | 20+ | |
| C3F2S2 | 1.2484 | 6 | C3F2S2 | 2.3584 | 16 or 17 | C3F2S2 | 1.3819 | 6 | C3F2S2 | 2.4209 | 16 or 17 | | | | |
| C3F2S3 | 1.4393 | 7-9 | C3F2S3 | 2.4784 | 18 or 19 | C3F2S3 | 1.5737 | 7-9 | C3F2S3 | 2.6054 | 18 or 19 | | | | |
| C3F2S4 | 1.6324 | 10 | | | | C3F2S4 | 1.7598 | 10 | | | | | | | |
| C3F2S5 | 1.7993 | 11-13 | | | | C3F2S5 | 1.9279 | 11-13 | | | | | | | |
| C3F3S1 | 1.0992 | 0-5 | C3F3S1 | 2.2408 | 14 or 15 | C3F3S1 | 1.2755 | 0-5 | C3F3S1 | 2.4228 | 14 or 15 | C3F3S1 | 3.3724 | 20+ | |
| C3F3S2 | 1.3184 | 6 | C3F3S2 | 2.4274 | 16 or 17 | C3F3S2 | 1.5588 | 6 | C3F3S2 | 2.5509 | 16 or 17 | | | | |
| C3F3S3 | 1.5093 | 7-9 | C3F3S3 | 2.5474 | 18 or 19 | C3F3S3 | 1.7507 | 7-9 | C3F3S3 | 2.7354 | 18 or 19 | | | | |
| C3F3S4 | 1.7024 | 10 | | | | C3F3S4 | 1.9368 | 10 | | | | | | | |
| C3F3S5 | 1.8693 | 11-13 | | | | C3F3S5 | 2.1049 | 11-13 | | | | | | | |



Clinical Dimension

Assessment Questions & Scores

Episode # within sequence of adjacent episodes
Therapy Visits

| | | 1 or 2 | 1 or 2 | 3+ | 3+ |
|----|--|--------|--------|--------|-----|
| | | 0 - 13 | 14+ | 0 - 13 | 14+ |
| 1 | Primary Diagnosis = Cancer ... | 4 | 11 | 4 | 8 |
| 2 | Primary Diagnosis = Diabetes | 5 | 11 | 2 | 9 |
| 3 | Primary Diagnosis = Neuro 1 | 3 | 5 | 5 | 5 |
| 4 | Primary Diagnosis = Psych 1 | 6 | 13 | 2 | 5 |
| 5 | Primary Diagnosis = Psych 2 | 1 | 1 | | |
| 6 | Primary Diagnosis = Skin 1 | 10 | 20 | 7 | 15 |
| 7 | Primary or Other Diagnosis = Blindness/Low Vision | 2 | 2 | 4 | 4 |
| 8 | Primary or Other Diagnosis = Blood Disorders | 1 | 4 | | |
| 9 | Primary or Other Diagnosis = Dysphagia AND Primary or Other = Neuro 3 | 1 | 6 | 1 | 6 |
| 10 | Primary or Other Diagnosis = Dysphagia AND M0250 (therapy at home) = 3 (enteral) | 2 | | | |
| 11 | Primary or Other Diagnosis = Gastrointestinal | 2 | 5 | 1 | 5 |
| 12 | Primary or Other Diagnosis = Gastrointestinal AND M0550 (ostomy) = 1 or 2 | 3 | 3 | | |
| 13 | Primary or Other Diagnosis = Gastrointestinal AND Primary or other = Neuro 1, 2, 3 or 4 | 1 | 1 | 3 | 3 |
| 14 | Primary or Other Diagnosis = Heart Disease OR Hypertension | 3 | 6 | 1 | 6 |
| 15 | Primary or Other Diagnosis = Heart Disease OR Hypertension AND M0250 (therapy at home) = 1 (IV/infusion) or 2 (parenteral) | | | 4 | |
| 16 | Primary or Other Diagnosis = Neuro 1 AND M0530 (urinary incontinence) = 1 or 2 | | | 1 | |
| 17 | Primary or Other Diagnosis = Neuro 1 AND at least 1 of: M0690 (transferring) = 2+ OR M0700 (ambulation) = 3+ | 4 | 2 | 4 | 2 |
| 18 | Primary or Other Diagnosis = Neuro 1 OR Neuro 2 AND M0680 (toileting) = 2+ | 1 | 6 | 3 | 3 |
| 19 | Primary or Other Diagnosis = Neuro 3 AND at least 1 of: M0690 (transferring) = 1 OR M0680 (toileting) = 2+ | | 4 | | 2 |
| 20 | Primary or Other Diagnosis = Neuro 3 AND at least 1 of: M0690 (transferring) = 2+ OR M0700 (ambulation) = 3+ | 1 | 4 | 1 | 2 |
| 21 | Primary or Other Diagnosis = Neuro 4 AND at least 1 of: M0670 (bathing) = 2+ OR M0680 (toileting) = 2+ | 2 | 2 | 9 | 9 |
| 22 | Primary or Other Diagnosis = Neuro 4 AND at least 1 of: M0690 (transferring) = 2+ OR M0700 (ambulation) = 3+ | 4 | 4 | 7 | 7 |
| 23 | Primary or Other Diagnosis = Ortho 1 OR Gait Disorders AND M0460 (pressure ulcer stage) = 1, 2, 3 or 4 | 1 | | | |
| 24 | Primary or Other Diagnosis = Ortho 1 OR Ortho 2 AND M0250 (therapy at home) = 1 (IV/infusion) or 2 (parenteral) | 6 | 6 | 3 | |
| 25 | Primary or Other Diagnosis = Pulmonary Disorders | | 4 | | 4 |
| 26 | Primary or Other Diagnosis = Pulmonary Disorders AND M0700 (ambulation) = 1+ | 2 | | | |
| 27 | Primary or Other Diagnosis = Skin 1 OR Skin 2 AND M0250 (therapy at home) = 1 (IV/infusion) or 2 (parenteral) | 2 | 2 | 5 | |
| 28 | Primary or Other Diagnosis = Skin 2 | 5 | 7 | 3 | 7 |
| 29 | Other Diagnosis = Cancer | 2 | 5 | 2 | 2 |
| 30 | Other Diagnosis = Diabetes | 2 | 4 | 1 | 4 |
| 31 | Other Diagnosis = Psych 1 | 3 | 5 | 2 | 5 |
| 32 | Other Diagnosis = Skin 1 | 5 | 8 | 4 | 8 |
| 33 | M0250 (therapy at home) = 1 (IV/infusion) or 2 (parenteral) | 9 | 15 | 4 | 15 |
| 34 | M0250 (therapy at home) = 3 (enteral) | 3 | 12 | 1 | 6 |
| 35 | M0390 (vision) = 1+ | 1 | | | |
| 36 | M0420 (pain) = 2 or 3 | 1 | 1 | 1 | 1 |
| 37 | M0450 = 2+ pressure ulcers at stage 3 or 4 | 4 | 4 | 5 | 5 |



Clinical Dimension

Assessment Questions & Scores

| | | Episode # within sequence of adjacent episodes Therapy Visits | | | |
|----|--|--|---------------|--------------|-----------|
| | | 1 or 2 0 - 13 | 1 or 2 14+ | 3+ 0 - 13 | 3+ 14+ |
| 38 | M0460 (most problematic pressure ulcer stage) = 1 or 2 | 5 | 10 | 5 | 10 |
| 39 | M0460 (most problematic pressure ulcer stage) = 3 or 4 | 14 | 22 | 11 | 18 |
| 40 | M0476 (stasis ulcer status) = 2 | 7 | 13 | 7 | 13 |
| 41 | M0476 (stasis ulcer status) = 3 | 11 | 13 | 11 | 13 |
| 42 | M0488 (surgical wound status) = 2 | | | 3 | 7 |
| 43 | M0488 (surgical wound status) = 3 | 6 | 6 | 6 | 6 |
| 44 | M0490 (dyspnea) = 2, 3 or 4 | 2 | 3 | | 2 |
| 45 | M0530 (urinary incontinence) = 1 or 2 | 1 | 1 | | |
| 46 | M0540 (bowel incontinence) = 2 to 5 | 1 | 3 | 1 | 3 |
| 47 | M0550 (ostomy) = 1 or 2 | 3 | 6 | 2 | 6 |
| 48 | M0800 (injectable drug use) = 0, 1 or 2 | 1 | 1 | 1 | 3 |



Functional Dimension

Assessment Questions & Scores

Episode # within sequence of adjacent episodes
Therapy Visits

| 1 or 2 | 1 or 2 | 3+ | 3+ |
|--------|--------|--------|-----|
| 0 - 13 | 14+ | 0 - 13 | 14+ |
| 2 | 3 | 3 | 6 |
| 3 | 4 | 6 | 6 |
| 1 | 1 | 1 | 1 |
| | 1 | | 1 |
| 1 | 4 | 1 | 5 |
| | | 1 | |
| | 2 | 3 | |

- 49 M0650 or M0660 (dressing upper or lower body) = 1, 2 or 3
- 50 M0670 (bathing) = 2+
- 51 M0680 (toileting) = 2+
- 52 M0690 (transferring) = 1
- 53 M0690 (transferring) = 2+
- 54 M0700 (ambulation) = 1 or 2
- 55 M0700 (ambulation) = 3+

Service Dimension

Assessment Questions & Scores

- M0110 - Early or Late Episode (answered by clinician at assessment and adjusted by Intermediary based upon Common Working File)
- M0826 - # of Therapy Visits (estimated at assessment and adjusted to actual upon final payment)



Domain Scoring

Clinical Dimension

| Episode # within sequence of adjacent episodes | | 1 or 2 | 1 or 2 | 3+ | 3+ | All |
|--|--|--------|--------|---------|---------|--------|
| Therapy Visits | | 0 - 13 | 14+ | 0 - 13 | 14+ | 20+ |
| C1 | | 0 to 3 | 0 to 5 | 0 to 8 | 0 to 8 | 0 to 5 |
| C2 | | 4 to 5 | 6 to 8 | 9 to 13 | 9 to 13 | 6 to 8 |
| C3 | | 6+ | 9+ | 14+ | 14+ | 9+ |

Functional Dimension

| Episode # within sequence of adjacent episodes | | 1 or 2 | 1 or 2 | 3+ | 3+ | All |
|--|--|--------|---------|--------|---------|---------|
| Therapy Visits | | 0 - 13 | 14+ | 0 - 13 | 14+ | 20+ |
| F1 | | 0 to 4 | 0 to 4 | 0 to 2 | 0 to 4 | 0 to 4 |
| F2 | | 5 to 9 | 5 to 12 | 3 to 4 | 5 to 12 | 5 to 12 |
| F3 | | 10+ | 13+ | 5+ | 13+ | 13+ |

Service Dimension

| Episode # within sequence of adjacent episodes | | 1 or 2 | 1 or 2 | 3+ | 3+ | All |
|--|--|----------|----------|----------|----------|-----|
| Therapy Visits | | 0 - 13 | 14+ | 0 - 13 | 14+ | 20+ |
| S1 | | 0 to 5 | 14 to 15 | 0 to 5 | 14 to 15 | 20+ |
| S2 | | 6 | 16 to 17 | 6 | 16 to 17 | |
| S3 | | 7 to 9 | 18 to 19 | 7 to 9 | 18 to 19 | |
| S4 | | 10 | | 10 | | |
| S5 | | 11 to 13 | | 11 to 13 | | |



Sample PPS Diagnoses (1 for each Category)

| Clinical Dimension | | | |
|----------------------|------|---------------------|------|
| Diagnostic Category | | | |
| Blindness/Low Vision | 950 | Neuro 2 | 332 |
| Blood Disorders | 281 | Neuro 3 | 342 |
| Cancer ... | 140 | Neuro 4 | 341 |
| Diabetes | 250 | Ortho 1 | 717 |
| Dysphagia | 7872 | Ortho 2 | 714 |
| Gait Disorders | 7812 | Psych 1 | 295 |
| Gastrointestinal | 530 | Psych 2 | 2911 |
| Heart Disease | 410 | Pulmonary Disorders | 491 |
| Hypertension | 401 | Skin 1 | 872 |
| Neuro 1 | 191 | Skin 2 | 681 |

| Non-Routine Supply | | | |
|---------------------|--|--|--|
| Diagnostic Category | | | |

| | | | |
|------------------------------------|------|--------------------------------|------|
| Anal fissure, fistula and abscess | 565 | Other infections... | 680 |
| Cellulitis and abscess | 681 | Post-operative Complications 1 | 9981 |
| Gangrene | 7854 | Post-operative Complications 2 | 9985 |
| Malignant neoplasms of skin | 172 | Traumatic wounds and burns | 870 |
| Non-pressure and non-stasis ulcers | 7071 | | |



NRS Case-Mix Adjustment Variables and Scores

Note: There are five different categories with no distinction between episode # or therapy utilization.

| Selected Skin Condition: | | Score |
|---------------------------------|---|--------------|
| 1 | Primary Diagnosis = Anal fissure, fistula and abscess | 19 |
| 2 | Primary Diagnosis = Cellulitis and abscess | 13 |
| 3 | Primary Diagnosis = Gangrene | 10 |
| 4 | Primary Diagnosis = Malignant neoplasms of skin | 16 |
| 5 | Primary Diagnosis = Non-pressure and non-stasis ulcers | 10 |
| 6 | Primary Diagnosis = Other infections of skin and subcutaneous tissue | 19 |
| 7 | Primary Diagnosis = Post-operative Complications 1 | 32 |
| 8 | Primary Diagnosis = Post-operative Complications 2 | 23 |
| 9 | Primary Diagnosis = Traumatic Wounds and Burns | 16 |
| 10 | Other Diagnosis = Anal fissure, fistula and abscess | 8 |
| 11 | Other Diagnosis = Cellulitis and abscess | 6 |
| 12 | Other Diagnosis = Gangrene | 11 |
| 13 | Other Diagnosis = Non-pressure and non-stasis ulcers | 8 |
| 14 | Other Diagnosis = Other infections of skin and subcutaneous tissue | 7 |
| 15 | Other Diagnosis = Post-operative Complications 1 | 15 |
| 16 | Other Diagnosis = Post-operative Complications 2 | 15 |
| 17 | Other Diagnosis = Traumatic Wounds and Burns | 7 |
| 18 | M0450 = 1 pressure ulcer, stage 1 or 2 | 12 |
| 19 | M0450 = 2 or 3 pressure ulcers, stage 1 or 2 | 20 |
| 20 | M0450 = 4+ pressure ulcers, stage 1 or 2 | 30 |
| 21 | M0450 = 1 pressure ulcer, stage 3 | 31 |
| 22 | M0450 = 2 pressure ulcers, stage 3 | 41 |
| 23 | M0450 = 3+ pressure ulcers, stage 3 | 57 |
| 24 | M0450 = 1 pressure ulcer, stage 4 | 52 |
| 25 | M0450 = 2 pressure ulcers, stage 4 | 80 |
| 26 | M0450 = 3+ pressure ulcers, stage 4 | 104 |
| 27 | M0450e = 1 (unobserved pressure ulcer(s)) | 16 |
| 28 | M0476 = 2 (status of most problematic stasis ulcer: early, partial granulation) | 18 |
| 29 | M0476 = 3 (status of most problematic stasis ulcer: not healing) | 28 |
| 30 | M0488 = 3 (status of most problematic surgical wound: not healing) | 18 |
| 31 | M0488 = 2 (status of most problematic surgical wound: early, partial granulation) | 5 |
| Other Clinical Factors: | | |
| 32 | M0550 = 1 (ostomy not related to inpatient stay/regimen change) | 21 |
| 33 | M0550 = 2 (ostomy related to inpatient stay/regimen change) | 35 |
| 34 | Any "Selected Skin Condition" (above) AND M0550 = 1 (ostomy not related to inpatient stay/regimen change) | 22 |
| 35 | Any "Selected Skin Condition" (above) AND M0550 = 2 (ostomy related to inpatient stay/regimen change) | 7 |
| 36 | M0250 (therapy at home) = 1 (IV/infusion) | 11 |
| 37 | M0470 = 2 or 3 (2 or 3 stasis ulcers) | 17 |
| 38 | M0470 = 4 (4 stasis ulcers) | 34 |
| 39 | M0520 = 2 (patient requires urinary catheter) | 17 |

Proposed Relative Weights for Non-Routine Medical Supplies

| Severity Level | Percentage of Episodes | Points (scoring) | Relative Weight | Payment Amount |
|----------------|------------------------|------------------|-----------------|----------------|
| 0 | 63% | 0 | 0.2456 | \$ 12.96 |
| 1 | 17% | 1 - 16 | 1.0356 | \$ 54.65 |
| 2 | 12% | 17 - 34 | 2.0746 | \$ 109.48 |
| 3 | 5% | 35 - 59 | 4.0776 | \$ 215.17 |
| 4 | 3% | 60+ | 6.9612 | \$ 367.34 |



ICD-9-CM Diagnoses Included in the Diagnostics Categories for Non-Routine Supplies (NRS) Case-Mix Adjustment Model

| Diagnostic Category | ICD-9-CM Code* | Short Description of ICD-9-CM Code |
|--|-------------------------------------|---------------------------------------|
| Anal fissure, fistula and abscess | 565 | Anal fissure and fistula |
| | 566 | Abscess of anal and rectal regions |
| Cellulitis and abscess | 681 | Cellulitis & abscess of finger & toe |
| | 682 | Other cellulitis and abscess |
| Gangrene | 440.24 | Atheroscler-art extrem w/gangrene |
| | 785.4 | Gangrene |
| Malignant neoplasms of skin | 172 | Malignant melanoma of skin |
| | 173 | Other malignant neoplasms of skin |
| Non-pressure and non-stasis ulcers | 440.23 | Atheroscler-art extrem w/ulceration |
| | 707.1 | Ulcer lower limbs except decubitus |
| | 707.8 | Chronic ulcer other specified site |
| | 707.9 | Chronic ulcer of unspecified site |
| Other infections of the skin and subcutaneous tiss | 680 | Carbuncle and furuncle |
| | 683 | Acute lymphadenitis |
| | 684 | Impetigo |
| | 685 | Pilonidal Cyst |
| | 686 | Oth local inf skin & subcut tissue |
| | Post-operative Complications 1 | 998.1 |
| 998.2 | | Acc punct/laceration during proc nec |
| 998.3 | | Disruption of operation wound nec |
| 998.4 | | FB acc left during proc nec |
| Post-operative Complications 2 | | 998.5 |
| | 998.6 | Persistent postoperative fist nec |
| | 998.83 | Non-healing surgical wound nec |
| | Traumatic wounds and burns | 870 |
| 872 | | Open wound of ear |
| 873 | | Other open wound of head |
| 874 | | Open wound of neck |
| 875 | | Open wound of chest |
| 876 | | Open wound of back |
| 877 | | Open wound of buttock |
| 878 | | Open wnd gnt orgn incl traumat amp |
| 879 | | Open wound oth & unspec site no limbs |
| 880 | | Open wound of shoulder & upper arm |
| 881 | | Open wound of elbow forearm & wrist |
| 882 | | Open wound hand except finger alone |
| 883 | | Open wound of finger |
| 884 | | Mx & unspec open wound upper limb |
| 885 | | Traumatic amputation of thumb |
| 886 | | Traumatic amputation of other finger |
| 887 | | Traumatic amputation of arm & hand |
| 890 | | Open wound of hip and thigh |
| 891 | | Open wound of knee, leg and ankle |
| 892 | | Open wound of foot except toe alone |
| 893 | | Open wound of toe |
| 894 | | Mx & unspec open wound lower limb |
| 895 | | Traumatic amputation of toe |
| 896 | | Traumatic amputation of foot |
| 897 | | Traumatic amputation of leg |
| 941 | | Burn of face, head and neck |
| 942 | | Burn of trunk |
| 943 | | Burn upper limb except wrist and hand |
| 944 | | Burn of wrist and hand |
| 945 | Burn of lower limb | |
| 946 | Burns of multiple specified sites | |
| 948 | Burn class accord-body surf involvd | |
| 949 | Burn, unspecified site | |



Full Episode Payment Calculation

Calculate the Case Mix Adjusted Payment Rate:

| | <u>Example</u> | |
|--|--------------------|------------------|
| Determine # of Planned Therapy Visits: | 9 | |
| Determine Episode #: | 3rd | |
| Based upon answers to OASIS questions determine: | | |
| Clinical Dimension Total Score | 7 | |
| Functional Dimension Total Score | 6 | |
| Using Domain Scoring Sheet determine HHRG: | C1F3S3 | |
| From HHRG Rate Sheet the case weight is: | 1.4815 | a |
| Base Rate for Episode beginning AND ending in CY 2008: | <u>\$ 2,300.60</u> | b |
| Case Mix Adjusted Payment Rate | \$ 3,408.34 | c (a x b) |

Calculate the Total PPS Payment with Labor and Non-labor portions:

| | | | |
|-------------------------------------|---------------------------|---|-------------|
| Non-labor portion | <u>0.22918</u> | d | |
| Labor portion of payment | <u><u>\$ 781.12</u></u> | e | (c x d) |
| Labor portion | 0.77082 | f | |
| Wage Index for patient's CBSA 99901 | <u>0.7591</u> | g | |
| Labor portion of payment | <u><u>\$ 1,994.32</u></u> | h | (c x f x g) |
| Total PPS Payment | \$ 2,775.44 | i | (e + h) |

Calculate the Non-Routine Supplies (NRS) Add-on Payment:

| | | | |
|--|---------------------------|---|---------|
| Based upon answers to OASIS questions determine: | | | |
| NRS Total Score | 80 | | |
| Using Domain Scoring Sheet determine: | | | |
| NRS Severity Level | 4 | | |
| NRS Relative Weight | 6.9612 | j | |
| NRS Conversion Factor | <u>\$ 52.77</u> | k | |
| NRS Payment Amount | <u><u>\$ 367.34</u></u> | l | (j x k) |
| Total Case Mix and Wage Index Adjusted Episode Payment including NRS Amount | <u><u>\$ 3,142.79</u></u> | m | (i + l) |



Proposed National Per-Visit Amounts for LUPAs (without "LUPA add-on") and Outlier Calculation Before Wage Index Adjustment

| Home Health Discipline | CY 2007 Rates | Proposed 2008 Rates |
|---------------------------|---------------|---------------------|
| Home Health Aide | \$46.24 | \$47.91 |
| Medical Social Services | \$163.68 | \$169.53 |
| Occupational Therapy | \$112.40 | \$116.42 |
| Physical Therapy | \$111.65 | \$115.63 |
| Skilled Nursing | \$102.11 | \$105.76 |
| Speech-Language Pathology | \$121.22 | \$125.55 |



Low Utilization Payment Adjustment (LUPA) Calculation

Calculate the Wage Adjusted LUPA Payments for Visits:

| | | <u>Example</u> | |
|--|--|-----------------|---------------|
| Determine # of Visits Performed by Discipline: | | | |
| | Skilled Nursing | 1 | |
| | Physical Therapy | 1 | |
| National LUPA Base Rates: | | | |
| | Skilled Nursing | \$105.76 | a |
| | Physical Therapy | \$115.63 | b |
| | Non-labor portion | <u>0.22918</u> | c |
| | Non-labor portion of payment for Skilled Nursing Visit | \$24.24 | d (a x c) |
| | Non-labor portion of payment for Physical Therapy Visit | \$26.50 | e (b x c) |
| | Labor portion | 0.77082 | f |
| | Wage Index for patient's CBSA | <u>0.7591</u> | g |
| | Labor portion of payment for Skilled Nursing Visit | \$61.88 | h (a x f x g) |
| | Labor portion of payment for Physical Therapy Visit | \$67.66 | i (b x f x g) |
| | Wage adjusted LUPA Payment for Skilled Nursing Visit | <u>\$86.12</u> | j (d + h) |
| | Wage adjusted LUPA Payment for Physical Therapy Visit | <u>\$94.16</u> | k (e + i) |
| | Total LUPA Payment before any "LUPA add-on" | <u>\$180.28</u> | l (j + k) |

Calculate the "LUPA add-on" Payment:

| | |
|--|-----|
| Is the LUPA the only episode (not in any sequence of adjacent episodes)? | No |
| Is the LUPA the first in a series of adjacent episodes? | Yes |

Note: If both are answered "No", there is no "LUPA add-on" payment.

| | | |
|--|----------------|---------------|
| Base LUPA add-on for only or initial episodes in a sequence of adjacent episodes | \$92.63 | m |
| Non-labor portion | <u>0.22918</u> | c |
| Non-labor portion of LUPA add-on payment | \$21.23 | n (m x c) |
| Labor portion | 0.77082 | f |
| Wage Index for patient's CBSA | <u>0.7591</u> | g |
| Labor portion of LUPA add-on payment | \$54.20 | o (m x f x g) |
| Total LUPA add-on Payment | <u>\$75.43</u> | p (n + o) |

Total Wage Adjusted LUPA Payment including LUPA add-on for only or first in a series \$255.71 q (l + p)

