



The Administrator's **Advocate**

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“Show Me the Money” Conference in East Peoria on March 19-20



INHAA’s “Show Me the Money” Conference will take place on March 19-20 at the Par-A-Dice Hotel and Conference Center in East Peoria.

Ten continuing education units for administrators and nurses will be offered covering today’s must-know relevant topics, including:

- Managed Care Billing Procedures for 2014
 - Negotiating Managed Care Contracts
 - Top Ten F-tag Violations and How They Get Cited
 - Using PEPPER to Spice Up Your Compliance Program
- A Comprehensive, Up-to-the-Minute Legislative, Regulatory and Reimbursement Update
 - Making It Real, Making It Happen – Turning Staff into Caregivers.

[Brochure attached here.](#)

Margel Peddicord’s 2012 Benchmarking Cost and Wages Data

Margel Peddicord has completed his analysis of the 2012 Medicaid Cost Report data submitted annually to the Department of Healthcare and Family Services (HFS). Two reports are linked to this newsletter:

- **A Long Term Care Facility Cost Profile**, comparing the medium per diem costs statewide in each significant cost center for 2012, 2011 and 2010. According to Margel’s analysis, the total per diem cost for facilities filing Medicaid cost reports went from \$164.67 a day in 2010 to \$171.72 in 2011 to \$182.27 in 2012, while the medium Medicaid rate paid by HFS was \$113.71 in 2010, \$126.49 in 2011, and \$123.50 in 2012. [Report linked here.](#)
- **Wage, Hour and Utilization Data for 2012**, by region and statewide, comparing wages with 2011 and 1999. Average RN wages have increased by 64% since 1999 and LPN wages by 66%. This is important because the State still uses 1999 wage data in setting the Medicaid Nursing Rates. [Report linked here.](#)

With the two reports, Margel offers the following caution: “The data in the two reports was prepared from 2012 unaudited cost report data that was submitted to HFS by essentially all nursing facilities in the HSA or statewide region. This includes large and small; urban and rural; for-profit and non-profit; successful and not successful facilities with various levels of Medicare, Medicaid and private pay census. Additionally, these facilities have a wide range of average acuity. Accordingly, your facility may not be reasonably comparable to the median or average data in the two reports. When I prepare a Benchmark Analysis for a specific facility, I select successful facilities with similar acuity, size, location, Medicare utilization, etc.

For facilities with a December 31 year-end, you need to be thinking about preparation of your 2013 Medicaid cost report. Do not become lax in the preparation of your Medicaid cost report. It may seem to be just a necessary evil since the Illinois Department of Healthcare and Family Services infrequently updates rates from cost reports. However, as you will not know in advance of filing

your cost report if it will be used for rate setting in the future, due care must be exercised. I have seen far too many situations where Medicaid health care providers have been severely penalized due to cost reporting errors and omissions.”

Margel Peddicord can be reached at margelpeddicord@gmail.com or 618-315-6242.

HFS Notice: Start Using ICD-10 Codes as of July 1, 2014.

The Department of Healthcare and Family Services (HFS) last month sent an Informational Notice to all Long Term Care facilities in Illinois, regarding the federally mandated conversion from ICD-9 to ICD-10 codes effective October 1, 2014, but ICD-10 codes should be used for all new admissions starting July 1, 2104. This notice reads:

ICD-9 codes are currently provided as part of the resident admission information electronically submitted to the DHS caseworker. ICD-9 coding is not used to set LTC facility reimbursement rates although it is a required data element that must be provided as part of the admission information.

ICD-10 codes have been expanded to seven characters and will provide a much more specific diagnosis than the ICD-9 code. This code is currently provided to the facility by the resident's physician.

Prior to October 1, 2014, facilities must obtain an ICD-10 code for each resident from their physician and enter the new code electronically using the Department's Medicaid Electronic Data Interchange (MEDI) system. The ICD-10 code must be entered during the time period 7/1/2014 through 9/30/2014 for all residents with an active admission on the HFS payment system at that time.

For residents with an admission date beginning 10/1/2014 the ICD-10 code must be submitted as part of the regular admission transaction processed electronically. The facility may use either MEDI or REV for these new transactions.

Facilities are being informed of this now to ensure they have adequate time to both obtain the ICD-10 code from the physician and electronically enter it through the MEDI system. Questions regarding this Notice may be directed to the Bureau of Long Term Care at 217-782-0545.

FR&R SNF Bulletin - Jimmo vs. Sebelius: Medicare Benefit Policy Manual Transmittal Update

January 21, 2014

On December 13, 2013, the Centers for Medicare and Medicaid Services (CMS) issued the Medicare Benefit Policy Manual (MBPM) Transmittal 176 to clarify therapy coverage requirements for skilled care within a skilled nursing facility (SNF), inpatient rehabilitation facility, home health agency, and outpatient setting pursuant to Jimmo vs Sebelius.

The intent of this transmittal was not to change any existing policy, but rather to provide additional clarification. Within Transmittal 176 was described the requirement of a therapist to be a qualified therapist (not an assistant) in order to perform maintenance therapy services within a SNF. While regulations set forth do not allow home health agencies or other outpatient settings to use a therapy assistant to perform maintenance therapy, SNFs do not have a similar requirement under regulations 409.32 (a) and (b).

On January 14, 2014, CMS published Transmittal 179 to eliminate the phrase “not an assistant” from the maintenance therapy program to further clarify that maintenance therapy can be performed by a therapist or therapy assistant in the SNF setting. The updated Transmittal 179 can be viewed at:

If you have any questions regarding the Jimmo Settlement, please contact a member of our Health Care Management Group at 847.236.1111. If you are interested in a previously published FR&R bulletin, please e-mail healthcareconsulting@frcpas.com.

FDA Proposes Glucose Meter Guidance to Improve Infection Control

The US Food and Drug Administration (FDA) has drafted more stringent guidelines for blood glucose monitoring test systems used in nursing homes, hospitals and other healthcare settings.

Previous FDA guidance did not distinguish between glucose meters used in clinical settings like nursing homes and those used by individuals for self-monitoring in a home setting. However CMS and CDC have raised concerns that some meters are not robust enough to withstand the rigors of continued and frequent use in clinical settings and could pose infection control risks. This is because meters can become contaminated with blood, and have been associated with the spread of diseases such as hepatitis.

In response, the FDA has proposed separate specifications for glucose meters that would be used in clinical settings like nursing homes. The proposed guidance lays out the design elements that meters used in clinical settings would have to meet, and the information the device makers would have to provide in premarket submissions to the FDA. The draft guidance was published in the January 7, 2014 Federal Register. Comments are being accepted for 90 days.

While the new FDA guidance is not yet final, it is consistent with the CMS and IDPH survey spotlight that has been focused the past few years on the proper use and cleaning of blood glucose monitoring devices. The prudent facility would re-check with their device supplier to see if the devices currently used by the facility will meet the new FDA guidance standards.

Contacting Our Office

Illinois Nursing Home Administrator Association Office
P.O. Box 4407, Oak Park, Illinois 60304
Phone: 708-800-6161
Fax: 708-848-4219
Email: tsullivan@inhaa.org
Coordinator: Terry Sullivan

Contacting Our Board Members

Contact Information for any of INHAA's board members can be found on the Board of Directors page at our website at www.inhaa.org.

Upcoming 2014 INHAA Events Calendar

March 19-20 Conference at the Par-A-Dice Hotel in East Peoria ([Brochure here](#))
June 11-12 Conference at the Par-A-Dice Hotel in East Peoria
August 13-14 Conference at the Parke Hotel in Bloomington
October 29-30 Convention and Trade Show at the Crowne Plaza Hotel in Springfield

Administrator Licensing Information

Information about 2014 Administrator Licensure Examination dates and locations, Administrator Test Review Courses for 2014, Requirements for Obtaining NHA Continuing Education Credits, and how to contact the Illinois Department of Financial and Professional Regulation (IDFPR) can be found on the IDFPR page at our website at www.inhaa.org.

Employment Alley

POSITIONS AVAILABLE:

Full Time Administrator for 100 bed residential facility for DD Adults. Requires education as mandated by the state and federal laws, supervisory experience and computer skills. Successful applicants must hold a current Illinois Nursing Home Administrator's License. Drug testing required. Send resume to Administrator, 1450 Caseville Ave, Swansea, IL 62226.

SEEKING POSITION

LNHA seeking a position as Interim Administrator. I have been an Interim Administrator at three previous facilities, as well as been a full time Administrator, with over two decades of experience in the field. I am also a Qualified Mental Retardation Professional, having worked for ARC in Springfield and was a special education teacher for ten years. I have a BA in Management from the University of Illinois. For more information, contact Linda Cox at 217-529-7657.

Working up from being a CNA, Registered Nurse, Human Resource Manager, Patient Care Manger, and Administrator in Training over the past 10 years, I have a BS in Business Administration (2008), BSN (2012) and Master in Business Administration (2013). For more information, contact Amanda Gallagher at 724-747-8814.

Employment Alley is published monthly for members and business members. The cost for nonmembers is \$30 a month - \$50 for two months - \$70 for three months. A business member listing is \$25 for one month - \$40 for two months - \$55 for three months. Send your approximate 55-word ad and payment to INHAA, PO Box 4407, Oak Park, IL 60304 or fax it to 708-848-4219. For further information call Terry Sullivan at 708-800-6161.