# Medicare Advantage Risk Adjustment: Training for Providers

January 2021



## **Objectives**

At the end of this presentation, you will understand:

- 1. The basics Medicare Advantage risk adjustment;
- The importance of accurately documenting a member's health status;
- 3. How telehealth affects risk adjustment;
- 4. Why coding matters;
- 5. Tips to keep the medical documentation robust;
- 6. That all documentation is subject to audit; and,
- 7. Key take-aways.



## **Risk Adjustment Overview**

- Risk adjustment is a process that the Centers for Medicare & Medicaid Services (CMS) uses to reimburse Medicare Advantage (MA) plans such as Denver Health Medical Plan (DHMP).
- Risk scores are based on **member demographics** (e.g. age and gender) as well as **health status**, and help to predict more accurately the health cost expenditures of a plan's member population. This allows CMS to reimburse a plan for its specific population.
- Risk scores are higher for a patient with greater disease burden, and lower for a healthier patient.



#### **Health Status and Risk**

- The ICD-10 diagnosis codes reported on your claims determine a member's health status, and ultimately their risk score.
- These diagnosis codes are submitted to CMS, and linked to specific Hierarchical Condition Categories (HCCs). These HCCs are then used to calculate a member's risk score.
- The number of HCCs and affected ICD-10 codes can change from year to year.
- Chronic conditions must be reported at least once per year.
  - Each January 1, the Risk Adjustment slate is wiped clean! All Medicare members are considered completely healthy until diagnosis codes are reported on claims.



#### The Telehealth Factor

- All diagnosis codes documented as the result of a faceto-face visit count for risk adjustment.
  - **Telehealth visits** that include both <u>audio and video</u> count as face-to-face for risk adjustment.
  - Telehealth visits that are audio-only do not.
- ...So please clearly document whether video was used during the telehealth visit or not!
- To the coders CMS will view any encounter using place of service code "02" (telehealth) or CPT modifier "95" (telehealth) as including video!



# **Why Coding Matters**

- Complete and accurate diagnosis coding, supported by complete and accurate medical documentation:
  - 1. Allows for better medical decision-making, better health management, and member inclusion in any quality and/or care management program offered by DHMP.
  - 2. Increases the member's risk score, ensuring that DHMP has the needed resources to provide quality care to members.
  - 3. Reduces the need for DHMP to request medical records or audit a provider's claim.
- It is DHMP's goal to have a comprehensive annual assessment for each member, capturing all of a member's current, active diagnoses.



## **Documentation Tips**

- **Document every condition.** 
  - All chronic conditions
  - All conditions that are relevant to a member's current care
- Review all relevant conditions annually.
  - Chronic conditions (diabetes, heart failure, COPD)
  - Active status conditions (amputations, ostomy)
  - Pertinent past conditions (previous cancers, previous stroke)
  - All conditions being treated with medication



# **Documentation Tips (con't)**

- Be as specific as possible.
  - chronic bronchitis v bronchitis
  - morbid obesity v obesity
  - chronic kidney disease should be staged
- Code multiple conditions when applicable.
  - diabetes with retinopathy/nephropathy/neuropathy
  - cirrhosis due to alcohol dependence
- Include Psychosocial Diagnoses.
  - major depression
  - lifetime illnesses (schizophrenia, bipolar disorder)



#### **MEAT** in the Documentation

- Use the MEAT acronym to ensure that the most complete and accurate information is being documented:
  - **Monitor:** must indicate that you asked about the current status of the condition; signs and symptoms; disease progression or regression.
  - **Evaluate:** exam results; lab/imaging findings; medication effectiveness; patient response to treatment.
  - <u>Assess/Address:</u> note the current medical status of the member's condition; order tests; give patient education; review records; counsel patient and family members.
  - <u>Treat:</u> record the treatment plans; medications, therapies, procedures, modalities.



#### **Audits**

- All claims and/or encounters submitted to DHMP are subject to audit.
  - Audits may come from CMS or DHMP, and used to determine if the documentation and coding are complete and accurate.
  - Please provide all medical records quickly, and provide all available medical documentation for the services rendered to the member.
- Medical records must support all conditions coded on the claims and/or encounters you submit using clear, complete and specific language.
  - Ensure that the record includes the member's name and date of service.
  - Ensure that the diagnosis codes align with the member's gender.
  - Ensure that the record is signed by the provider, with credentials.
- Notify DHMP *immediately* about any diagnostic data you have submitted that you later determine may be erroneous.



## **Key Take-Aways**

- Completely and accurately documenting a member's health status is crucial to Medicare risk adjustment calculations.
- All current, active diagnoses must be captured. For chronic conditions, these diagnoses must be captured on an annual basis.
- All medical documentation that support submitted diagnoses codes must be complete, accurate, and robust enough to withstand audit.



# **Any Questions?**

• If you have any questions, reach out to Denver Health Medical Plan.

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