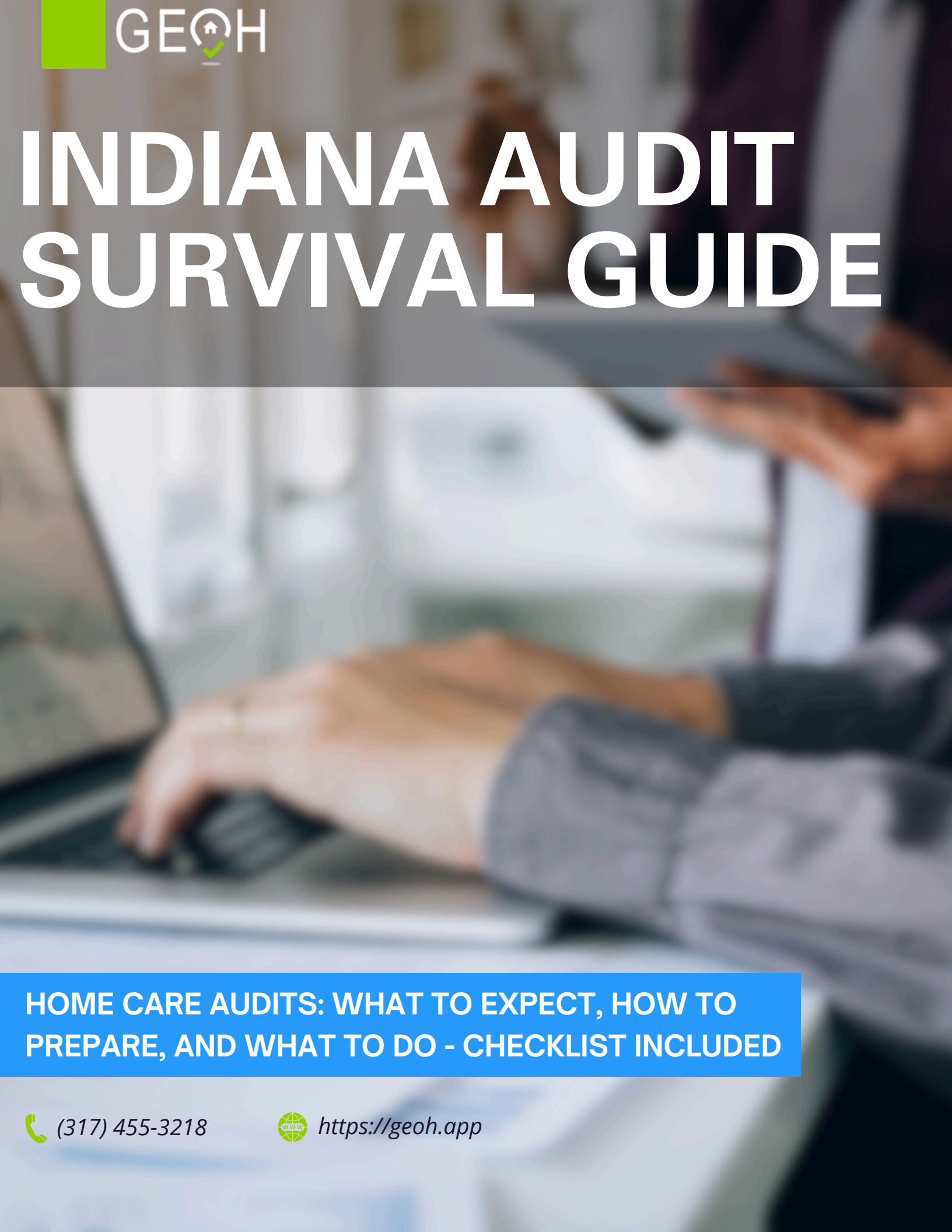

INDIANA AUDIT SURVIVAL GUIDE

HOME CARE AUDITS: WHAT TO EXPECT, HOW TO PREPARE, AND WHAT TO DO - CHECKLIST INCLUDED

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Disclaimer

This guide is intended for home care agency owners and aims to provide valuable insights and information on various audit topics. However, it is important to note that this guide does not cover all possible audit needs and should not be considered exhaustive.

While we strive to ensure the accuracy and relevance of the information provided, we cannot guarantee that all aspects of audit needs are included or up-to-date. Users are encouraged to consult additional resources and seek professional advice when necessary.

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Please refer to more comprehensive resources or consult with industry professionals to ensure you have all the necessary information for effective caregiver training.

This checklist is intended to serve as a general resource to help guide your preparation efforts for an audit. It does not guarantee compliance or ensure a successful audit outcome. Always consult with your compliance officer, legal advisor, or relevant regulatory body for specific requirements applicable to your organization.

Types of Audits

There are several audit types that can apply to home care agencies depending on your funding sources and contractual relationships.

Disclaimer

This guide outlines some of the common reasons why you might be audited, but it is not an exhaustive list. Audits can occur for a variety of reasons specific to your individual or business circumstances. For complete details and advice tailored to your situation, we recommend consulting with a certified legal advisor. This guide is meant to provide general information and should not be used as a substitute for professional guidance.

Single Audit

If your agency spends more than $1,000,000 in federal funding during the fiscal year, you may be subject to a Single Audit. This is a detailed review to ensure proper spending and compliance with federal guidelines.

Subrecipient and Contractor Audits

If your agency receives funding through another organization (such as an MCO), then a Subrecipient or Contractor Audit may apply. This ensures compliance not just with federal guidelines but also with the specific requirements set by the primary funding source.

Medicaid Procurement Audits

These audits focus on the proper acquisition, payment, and receipt of goods or services related to Medicaid. If there are any irregularities in how your agency handles Medicaid-related transactions, this type of audit may occur.

Audit Triggers

Audits can be random, but often they're the result of red flags in billing or documentation. Here are some (not all) common triggers:

- Unusual billing patterns
- Claim concerns flagged by Medicaid or payers
- Random compliance checks
- High percentage of manual entries or edits of EVV data
- Incorrect billing codes
- Missing or inaccurate Electronic Visit Verification (EVV) data
- Invalid service certifications
- Lack of face-to-face visit documentation

Avoiding an Audit

The best way to deal with an audit is to prevent one. While you can't eliminate all risk, you can minimize it with proactive practices:

Provide Regular EVV Training

Ensure caregivers are trained consistently on proper visit documentation and know how to check in and out themselves in on their cell phone or laptop.

Keep Documentation Updated

Maintain current records, certifications, and client care plans.

Perform Internal Audits

Regularly review your own billing and operational practices to catch issues early.

Build an Audit Binder

Create an organized binder (digital or physical) with essential documents like service plans, caregiver logs, billing summaries, and compliance protocols.

Top Compliance Tips

- Assign a compliance lead to monitor all documentation
- Use monthly internal audits & random chart pulls
- Provide quarterly staff training to ensure staff compliance
- Implement checklists for service & billing accuracy

What is Reviewed in an Audit

Accurate and complete documentation is the backbone of compliant operations for Medicare and Medicaid services in the home health and hospice sectors. Providers must keep detailed records to ensure transparency and justify the services rendered and the claims submitted.

Why Proper Documentation Matters

Federal Medicare and state Medicaid regulations require providers to maintain accurate records justifying medical services, claims, and the medical necessity of an item or service. If an audit or investigation occurs, these records are your evidence to prove compliance and the appropriateness of claims.

Failure to meet these documentation standards can lead to denied claims, penalties, or even more severe repercussions. This makes it critical for providers to retain ALL supporting records, even if certain documents aren't explicitly requested during an investigation or audit.

Key Benefits of Compliance Documentation

- Prevent claim denials and ensure timely reimbursements.
- Demonstrate the medical necessity of billed services.
- Build a framework of accountability and transparency for your organization.
- Maintain long-term credibility with regulators and payers.

What is Reviewed in an Audit

What Should Be Documented?

Here's a breakdown of some of the documentation elements that are required to comply with Medicare/Medicaid standards.

General Components of Medical Records

1. **Recipient Information**
   - Name of the patient receiving treatment.
   - Details about the specific services provided and their extent.
   - Date each service was administered.
   - Name of the provider delivering the service.
2. **Financial Information**
   - Charges for each service rendered.
   - The pursued payment sources.
   - The billed and paid amounts for each service.
3. **Clinical Information**
   - Patient diagnosis.
   - Medical necessity for each administered service.
   - Prescriptions, supplies, or plans of care prescribed by the healthcare provider.
   - Identification of prescriptions, start and stop times for time-based billing codes, and case notes signed by staff.

What is Reviewed in an Audit

Specific Documentation Types for Home Health and Hospice

These documentation examples are frequently requested during audits or investigations. While the list is extensive, it is not exhaustive, so retaining any other supporting records is also advised.

Commonly Required for Home Health Providers

1. **Physician Certifications and Plans of Care**
   - Include certifications and recertifications related to the start of care and subsequent treatment periods.
2. **Face-to-Face Encounter Documentation**
   - Ensure documentation includes a visit attestation and aligns with the onset and dates of service.
3. **Orders and Prescriptions**
   - Retain records for all orders covering billed services, as well as updates regarding treatments or medications.
4. **Therapy and Care Notes**
   - Detailed notes from therapy sessions, home health aides, and medical social workers must be included.
5. **Medication Profiles**
   - Document start, change, and discontinue dates for all medications.
6. **Wound Care Records**
   - Logs detailing wound assessments, measurements, care provided, and teaching notes with physician-signed orders.
7. **Referrals and Summaries**
   - Keep referral forms, summaries of care for previous periods, and other documents linking care episodes.

What is Reviewed in an Audit

Specific Documentation Types for Home Health and Hospice

Commonly Required for Hospice Providers

1. **Election Statements and Notifications**
   - Include signed election statements, addendums, and notifications about non-covered items or services.
2. **Interdisciplinary Team Notes**
   - Include detailed logs from all services and disciplines (nurses, dietitians, physicians, etc.), showing how care was administered.
3. **Progress and Discharge Notes**
   - Keep thorough documentation about patient progress and, if applicable, discharge summaries.
4. **Higher Levels of Care Documentation**
   - For services like continuous care, respite care, and general inpatient care, include all records justifying medical necessity.
5. **Beneficiary Metrics**
   - Track and retain details of vitals, medication logs, and diagnostic test results.
6. **Transfer, Revocation, and Recertifications**
   - Maintain documentation for all transitions, revocation requests, and certification or recertification of benefits.

Best Practices to Maintain Compliance

Retain All Supporting Documentation

- Even if documents aren't explicitly requested during an investigation, producing all records that can serve as evidence of service provided or billed will strengthen your case.

Adopt Standardized Templates and Systems

- Utilize templates that guide providers to fill in required fields such as diagnoses, session start/stop times, and detailed service descriptions.

Use Technology to Your Advantage

- Electronic Medicial Records (EMR) systems can simplify compliance with features like audit trails, secure authentication, and centralized storage of documentation.

Ensure Staff Training

- Educate your staff on best practices for documentation. Ensure they are familiar with required details, especially for time-based billing, medical necessity annotations, and service specifics.

Conduct Internal Audits

- Regularly reviewing your own records can uncover gaps before external scrutiny occurs.

Audit Checklist

This checklist is intended to serve as a general resource to help guide your preparation efforts for an audit. It does not guarantee compliance or ensure a successful audit outcome. Always consult with your compliance officer, legal advisor, or relevant regulatory body for specific requirements applicable to your organization.

Licensing & Certifications

- ☐ Caregiver Licenses
- ☐ Provider Enrollment Forms
- ☐ Completed Medicaid Waiver Sign-Up Forms
- ☐ Supporting Waiver Documents (authorizations, enrollment forms)
- ☐ Facility Licenses

Compliance Documentation

- ☐ Quality Assurance Plans
- ☐ Risk Management Plans
- ☐ HIPAA Compliance Documentation
- ☐ Any Prior Audit Findings
- ☐ Employee Data Profile (EDP)
- ☐ QAPI - Governing Body Minutes
- ☐ Performance Improvement Plans (PIPs) Policies
- ☐ Discharge Charts

Client Care Documentation

- ☐ Patient Census
- ☐ Care Plans
- ☐ Visit Data

Employee Records

- ☐ Employee Census
- ☐ Background Checks
- ☐ Fingerprint Cards (current and former employees)
- ☐ Caregiver Training Records (certifications, standards of practice)

Financial & Billing

- ☐ Billing Records
- ☐ Financial Statements