



GREATER NEW YORK HEALTH CARE FACILITIES ASSOCIATION

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MEMO 24-06

TO: Administrator, DON, CFO's, Owners & Operators

FROM: Mary Gracey- White RN, BSN, QCP Director of Regulatory Compliance

DATE: March 11, 2024

RE: Update: CMS Schizophrenia Audits

This memo is as a follow up to GNYHCFA Memo [23-01](#) regarding CMS Schizophrenia Audits. As you may be aware the CMS QSO [23-05](#) indicated that the expectation for all facilities, including those who declined the audit acknowledging there may have been documentation issues, are required to self-correct any errors in Schizophrenia coding. Some facilities have reported undergoing a follow up audit by CMS to validate if facilities corrected all identified issues. GNYHCFA has corresponded with CMS regarding this ongoing process. CMS responded as follows:

1. The facility's data will be monitored to identify if the information indicates that the self-identified issues have been addressed and determine if any downgrades and suppressions that are applied will be lifted. In addition, CMS stated they retain the discretion to conduct an audit as needed if the facility's data does not indicate that the identified issues have been corrected.
2. CMS expects that:
 - I. all of the self-identified issues be corrected immediately, based on professional standards of practice (**DSM-5-TR criteria**) and
 - II. MDS assessments be corrected, based on MDS 3.0 Resident Assessment Instrument Manual requirements. This pertains to **all residents within the facility** currently impacted by the identified inaccuracies, as well as residents that may be impacted in the future.
3. The focus of the CMS Schizophrenia MDS Audits is on active residents within the facility. However, during an audit, we may request information on residents that are no longer in the facility as facilities are required to have accurate assessments at all times, based on MDS 3.0 Resident Assessment Instrument Manual requirements.
4. For all facilities where patterns of coding inaccuracies were identified, either through an audit or through a facility's admission, CMS will monitor each audited facility's data to identify if the

information indicates they have addressed the identified issues, and if any downgrades or suppressions that are applied should be lifted at the timeframes indicated above. Also, a follow up audit may be conducted.

We recommend Facilities meet with the QA Team including the Medical Director, Psychiatrists(s), MDs Coordinators and IDT Team to ensure internal auditing has identified and corrected any issues for residents diagnosed with Schizophrenia. CMS has requested both comprehensive psychiatric as well as medical work-up to ensure accuracy of diagnosis. Some of the issues have included psychiatric diagnosis varying during consultations without accurate documentation to support the change(s).

**Schizophrenia is a serious mental disorder that may interfere with a person's ability to think clearly, manage emotions, make decisions, and relate to others. It is uncommon for schizophrenia to be diagnosed in a person younger than 12 or older than 40. Schizophrenia must be diagnosed by a qualified practitioner, using evidence-based criteria and professional standards, such as the Diagnostic and Statistical Manual of Mental Disorders - Fifth edition (DSM-5), and documented in the resident's medical record. Symptoms of Schizophrenia include delusions, hallucinations, disorganized speech (e.g., frequent derailment or incoherence), grossly disorganized or catatonic behavior, and diminished expression or initiative. Delusions refer to false beliefs that do not change even when the person who holds them is presented with new ideas or facts. Hallucinations include a person hearing voices, seeing things, or smelling things others cannot perceive.*

If you have any additional questions or concerns, please contact the Association or forward them to the Division of Nursing Homes Behavioral Health Team via email at DNH_BehavioralHealth@cms.hhs.gov

*National Alliance on Mental Illness (NAMI). "Schizophrenia." Accessed March 2, 2021. <https://www.nami.org/Learn-More/Mental-Health-Conditions/Schizophrenia> *American Psychiatric Association. "Diagnostic and Statistical Manual of Mental Disorders Fifth Edition 2013