

72 FR 47130

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Rules and Regulations

Response: Many of the commenters ascribed the term "behavioral offset" to our proposed rule and believed that CMS was pejoratively describing hospital motives. We note that we did not use the term "behavioral offset" to describe the proposed -2.4 percent adjustment to IPPS rates for FYs 2008 and 2009 for changes in documentation and coding. We regret that the term "behavioral offset" has been attributed to us. The proposed rule uses the phrase "documentation and coding adjustment" to refer to the proposed -4.8 percent (-2.4 percent each year for FYs 2008 and 2009) adjustment to the IPPS standardized amounts to maintain budget neutrality for the MS-DRGs consistent with the statute. Further, we believe it is important to address the notion in some of the public comments that CMS believes changes in how services are documented or coded that is consistent with the medical record is inappropriate or otherwise unethical. We do not believe there is anything inappropriate, unethical or otherwise wrong with hospitals taking full advantage of coding opportunities to maximize Medicare payment that is supported by documentation in the medical record. In its public comments, MedPAC recommended an adjustment for improvements in documentation and coding and also noted that hospitals' efforts to improve the specificity and [*47181] accuracy of documentation and coding are perfectly legitimate. n10