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*From the desk of
Kimberley Kelly
CEO of Compliance Review Services, Inc.*



COMPLIANCE REVIEW SERVICES, INC. NEWS UPDATE

CRS to teach at San Jacinto College Spring 2008 Home Health Classes

Compliance Review Services, Inc. is currently in contract negotiations with San Jacinto College to teach the Supervising Nurse, How to Run your Agency, and Coding Classes slated for Spring of 2008. We are very excited that we have been approached by this college as a leading expert in the home health field to teach at their college and help people who want to enter into the home health field as clinicians.

We will keep you posted as to when the classes will actually be scheduled. The Program Manager for Health Professions at San Jacinto College is Candace Pardue, you may reach her directly at: 281-478-2786.

CRS to go live on radio talk show 100.7

Compliance Review Services, Inc. has been invited to speak on 100.7 regarding compliance issues in the hospice arena. We are very excited to be able to help the general public understand what is required in the hospice agencies, how they are regulated and surveyed. Kimberley Kelly is taping for this show on 8/14/07 thanks to Romeo Villareal. Grace Hospice of Texas, owned by Romeo Villareal will be airing a 13 week segment on hospices on 100.5 which will be very beneficial to the general public. We hope you will tune in. The 13 week taping will air at 4:30 pm every Sunday beginning 8/5/07 and will involve all steps of placing a loved one on hospice care. Our role will be to explain regulatory compliance and how our consulting firm can assist hospice agencies with compliance.

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CMS REQUIRING UPDATED 855 A FROM HOUSTON AREA HOME HEALTH AGENCIES

CMS is targeting the Houston and Los Angeles areas for fraud prevention. In an alert sent out to all External Stakeholders for DADS, which Compliance Review Services, Inc. belongs to, it has been identified that approximately 800 Houston home health agencies will receive a letter from CMS asking them to resubmit their 855A applications. If you get a letter from CMS you must submit the updated 855 application within 60 days.

If you need assistance in completing this application, Compliance Review Services, Inc. offers this service for \$500.00. It is essential that you understand the rules that CMS has set forth in notifying them when the agency has a change in ownership, and contacting them when a updated 855A is required. For example, if an agency has had an approved 855A and does not have the initial accreditation survey within 6 months of issuance of license the agency has to do 2 things:

- 1) Notify DADS they want a licensed home health survey with 1 patient on service so the State license doesn't expire and submit readiness to DADS for a licensed home health survey prior to the 6th month after the license was issued by the State of Texas DADS AND
- 2) Update the 855A, as applicable, due to the provider's delay, and sign a new certification statement. This information should be transmitted to the state agency and regional office. The provider is responsible for contacting their fiscal intermediary to keep the Form 855 information current.

The other portion of the press release discussed that all home health agencies in Houston and Los Angeles would need to resubmit 855 A's. This portion of the memorandum was unclear in that one section it described all agencies in Houston having to resubmit 855A's and then it went on to address if an agency got a notice from CMS to resubmit, the agency had 60 days to do so. This has not been clarified yet.

Compliance Review Services, Inc. is in contact with DADS employee, Rosalind Nelson-Gamblin and have been told that even DADS has not gotten clarification from CMS on this portion of the statement as of yet. As soon as we get the clarification from DADS we will share it with you.

If you have had changes such as change of address, phone number, service area, ownership, it is imperative that the agency is compliant in notifying DADS via the 2021 form and CMS directly as applicable. If an agency is noncompliant with notifications, they can jeopardize their license, Medicare Provider Agreement, and business.

NEW STAFF MEMBERS



GAYLE RODRIGUEZ RN

Gayle Rodriguez, RN comes to Compliance Review Services, Inc. with a wealth of experience in home health administration and operation, as well as consulting. Ms. Rodriguez received her degree from College of the Mainland in Texas City before accumulating over 15 years of experience in all facets of the home health arena. Gayle's initial home health training was 13 years ago in home health case management with our own CEO, Kimberley Kelly. Now that Gayle has joined the Compliance Review Services Team as of June 11, 2007,



DENISE GARCIA RN

Denise will be joining our consulting team effective 8/1/07. She has an extensive management background in home health and hospice and has JCAHO experience as well. We are very excited to have her join our team. Please welcome her when you see her out in training with our other staff members in August.

PROMOTED EMPLOYEES



LINDA HENSLEE CONSULTANT TRAINER & EDUCATOR

Linda Henslee has been with the Compliance Review Services, Inc. consulting team since 2006. She was recently promoted to Educational Consultant and will be assisting in teaching our classes in our conferencing center. In addition, Linda will be our main field trainer for newly hired Nurse Consultants. Congratulations Linda!

FROM OUR REFERRAL DESK.....



As the head of this very busy department, I have to say my job is (I think) the most fun! I get to talk to and meet all of our prospective new clients first. I just want to say, thank you to all of our existing clients who are confident to name drop our company to their friends. I am excited that you are proud of us. You can be sure that if you know someone in need of our services, I will not let you down and will represent you and our company professionally with my very best British Accent! _____Jayne Jessop

HOME HEALTH AGENCY FOR SALE

We currently have a client who is interested in selling their Home Health Agency. It is in good standing, covers numerous counties, and has had no survey issues. If you are interested in purchasing a home health agency in Texas, please contact Kimberley Kelly at kkelly@compliancereviewservices.com for additional information.

CLASSES & EDUCATION

Compliance Review Services, Inc. offers classes both live and on line. We are currently developing additional on line classes category by category to meet the new rules effective 12/06. We just finished the OASIS class and are posting it to our site. In addition, we are developing the Administrator 12 and Administrator 16 classes which will meet the continuing education for Administrators based upon when they were appointed to finish up their annual hours required. We expect these classes to post by 9/15/07.

We do have the class for all newly hired Administrators and Alternates, this has been on our site for several months now. The class which meets the 8 clock hour requirement for new Administrators and Alternates is “Administrators in Texas State and Federal Law”, at www.compliancereviewservices.com

We do have a technical support button on the right hand side of the web page if you need assistance, don't hesitate to press the button it will email your concern or problem to our IT support person. It might take her 1 business day to get back to you as she is not sitting there live 24/7, so have a little patience for IT to get to you, but rest assured she will!

NEW SCHEDULING NAVIGATION BUTTON TO BE ADDED TO OUR WEBSITE EFFECTIVE 8/15/07

In order to make scheduling a bit easier for our clients, we are adding a scheduling navigation button to our web site. When a client or potential client clicks on this button, they will be able to download our scheduling request form and complete it and fax it in to the office. Detailed instructions on how we do scheduling will be posted in this area of the web site as well. We hope that you will find this information not only helpful but a time saver as well!

PPS CHANGES COMING SOON!

PPS will be impacting home health agencies in the near future. It is really important for the home health agencies to understand how to code their OASIS and to understand how these changes will affect the day to day operations of the agencies in existence and future agencies. Compliance Review Services, Inc. is not a billing, financial consulting firm. We, however, are registering all of our consultants to attend a PPS educational offering so we can better understand what all of our clients will be going through. We recommend you do the same. We are currently working on updating our Coding class to incorporate the newly released 2008 coding changes. We will not receive the actual updated coding book until the first week of September, so we have suspended current classes and will resume them in late September. We will also offer our coding class on line by 10/15/07.

JOINT COMMISSION VS. CHAPS

What is the difference between these entities?

We have been getting a lot of phone calls asking what is the difference between Joint Commission and CHAPS? Here are a few of the differences we have identified, for a complete listing, contact Jayne Jessop at our office!

Joint Commission Accreditation of Healthcare Organizations JCAHO	Community Health Accreditation Program CHAPS
<p>LENGTH OF INITIAL SURVEY</p> <p>1.5-2 days is the average</p>	<p>LENGTH OF INITIAL SURVEY</p> <p>3-4 days</p>
<p>APPLICATION</p> <p>Completed on line- don't need 855 A approved to apply Several survey options, option 1, option 2, deemed status, no deem status, etc.</p> <p>3 year accreditation cycle \$1700 application fee required JCAHO uses a calculator sheet for fees (see attached)</p> <p>Only need 4 months of tracking. No requirement in business for 3 months Average time to come out to do survey varies, we have seen as quick as 2 weeks and as long as 8 months in Dallas, average we have seen is 2-4 months.</p> <p>Length of initial survey 1.5-2 days</p>	<p>APPLICATION</p> <p>The application and fee are sent in to CHAP, not on line, and once the contract is signed it locks the client in for 3 years for fees and agreement.</p> <p>3 year accreditation cycle Application fee \$500.00 + accreditation fee divided over 3 years, paid annually (not disclosed but quoted by CHAPS + \$995/day on site for expenses. The first annual fee is due with the signed contract plus the non-refundable \$500 application fee.</p> <p>Must submit copy of license for home health and submitted 855A</p> <p>Must have 4-6 months of tracking Must be in business 3 months of operation Site visit occurs within 1-4 months unannounced one they get the self study and agency ready for survey.</p> <p>Length of initial survey- 3-4 days x \$995/day</p>
<p>SELF STUDIES</p> <p>None required</p>	<p>SELF STUDIES</p> <p>2 self studies required this can take 2-4 months to do, although we can do them in about 80 hours CHAPS gives those companies under contract the first set of self studies for free, additional copies are \$100 each.</p> <p>Due into the CHAPS office within 6 months of signing the contract with CHAPS.</p> <p>*Additional cost of \$4000 for us to do the self studies</p> <p>*Self Studies are updated and submitted at the start of each new accreditation cycle, so for Medicare annually.</p>

COMPLIANCE REVIEW SERVICES, INC. TO EXPAND TO AUSTIN AND DALLAS AREAS

Compliance Review Services, Inc. is planning to open a satellite office in Austin, Texas by 2/08. We are currently conducting additional market research for the Austin area and have already begun the process of securing staff and hunting for office space off of Highway 183.

Our expansion plans include a satellite office in Dallas as well with a target date of 10/08. We are excited that our client base has grown to support a satellite office in hopefully both of these locations. We want to thank our clients for their patronage, support, and feedback. We will continue to listen to what our clients have to say and respond appropriately.

DISASTER RULES CHANGING FOR THE STATE OF TEXAS HOME HEALTH AGENCIES

Kimberley Kelly, as a member of the External Stakeholder Group for the Rule Review Committee for DADS participated in a conference call on 8/6/07 involving the rule changes encompassing the Disaster Preparedness rules for the State of Texas affecting Home Health Agencies and Hospice Agencies. The purpose of the rule change is to enhance the development of procedures to triage patients, provide a safety emergency plan that involves not only the agency but the clients as well, and helps the Home Health Providers of the State prepare better in the event of disasters. “We made many changes to the rules which are beneficial to the patients home health agencies serve, and will hopefully make for a better outcome if and when a disaster hits.” Kimberley Kelly RN.

The rules will go before the DADS Council in September and then on to legislative session. There will be an open comment period of 30 days, so look for the revised rule language to come out and feel free to provide your comments as well!

CRS EXHIBITOR AT TAHC CONVENTION 11/07

Compliance Review Services, Inc. will participate as an exhibitor at the November conference here in Houston. We are hopeful that many of our clients will plan to come to this action packed event of information. Please stop by our booth for a free raffle gift of consulting services!