

Readmission Payment Policy:

All-Cause Readmission for Medicaid and MyCare Ohio Medicare-Medicaid Lines of Business

Potentially Preventable Readmission (PPR) for Medicaid and MyCare Ohio Medicaid only Lines of Business

This payment policy provides guidance regarding reimbursement and is not intended to address every situation. In instances that are not addressed by this policy, or by another policy or contract, Molina Healthcare retains the right to use discretion in interpreting this policy and applying it (or not applying it) to the reimbursement of services provided. The provider is responsible for submitting complete, accurate, and timely claims and medical records for payment consideration.

POLICY OVERVIEW

This policy is based on guidelines set forth by the Centers for Medicare and Medicaid Services (CMS) and the Ohio Department of Medicaid (ODM) for determining an inappropriate or preventable readmission.

Upon receipt of an inpatient authorization request, Molina's clinical staff will review for both a medical necessity determination and for identification of a potential readmission based on a 30-day look back period (Discharge Date to Admit Date). At the point of an inpatient authorization determination for medical necessity, if it is identified as a potential readmission, a notification will be sent to the provider indicating that the stay was identified as a potential readmission. This notification will be sent to the provider with the communication of the medical necessity determination via a return fax.

Readmissions identified as Potentially Preventable Readmissions (PPR) will be reviewed using 3M™ Health Information System Division PPR Measure based on the Ohio Department of Medicaid's customization. 3M™ identifies avoidable and unnecessary care. The focus on "potentially preventable" events gives focus on areas of opportunity that will have the greatest impact on improved patient care while decreasing unnecessary readmits.

A clinical review of the medical records for potential all-cause readmissions relating to the previous admission will determine whether the readmission was related. Once the admissions are determined to be clinically related, further evaluation will be completed to determine whether it was inappropriate and/or potentially preventable. The review will evaluate the initial admission's (anchor admission) appropriateness of discharge, as well as the quality of the discharge plan.

A readmission will be considered to be inappropriate or preventable under the following circumstances:

- If the readmission was medically unnecessary;

- If the readmission resulted from a prior premature discharge from the same hospital;
- If the readmission resulted from a failure to have proper and adequate discharge planning;
- If the readmission resulted from a failure to have proper coordination between the inpatient and outpatient health care teams; and/or

The following readmissions are excluded from readmission review for both the PPR logic and all cause readmissions:

- Transfers from out-of-network to in-network facilities;
- Transfers of patients to receive care not available at the first facility or unit;
- Readmissions that are planned for repetitive or staged treatments (i.e. cancer chemotherapy or surgical procedures);
- Readmissions associated with malignancies, burns, or cystic fibrosis;
- Admissions to Skilled Nursing Facilities, Long Term Acute Care Facilities, and Inpatient Rehabilitation Facilities (SNF, LTAC, and IRF);
- Readmissions where the anchor admission had a discharge status “left against medical advice” (The claim submission must include this status (AMA) for processing);
- Obstetrical readmissions;
- Transplant related admissions;
- Infants less than 12 months of age on the date of service;
- Readmissions \geq 31 days from the date of discharge from the anchor admission.

In addition to the exclusions noted above, the following is excluded from readmission reviews for the MyCare Ohio Opt-In members only:

- Behavioral health

To review the criteria for inclusions and exclusions to the potential preventable readmission policy please see OAC Rule 5160-2-14.

CLAIM PROCESSING

Molina Healthcare will review a claim at the time of receipt to determine if it meets the 30-day all-cause readmission or PPR guidelines.

If a claim meets criteria for a PPR and/or all-cause readmission, it will be denied and the provider will receive an explanation of payment stating that the claim was determined to be a potentially preventable readmission. The provider may follow the claim reconsideration process to provide the additional supporting clinical documentation for the anchor admission.

A qualified clinician will review the clinical information provided to determine if any readmission was inappropriate, unnecessary, or preventable based on the above guidelines. If a readmission is determined to be inappropriate, unnecessary, or preventable, written notification of such a determination will be sent to the hospital. Claims dispute timelines will apply.

The claim for the readmission will be denied after notification of the determination has been sent to the hospital. The payment for the anchor admission will be considered payment in full. If the anchor claim (initial admission) was denied, or processed as an outpatient service or observation, then the second admission will no longer be considered a readmission and will be processed based on medical necessity and standard processing guidelines.

DEFINITIONS

Clinically Related – An underlying reason for a subsequent admission that is plausibly related to the care rendered during or immediately following a prior hospital admission. A clinically related readmission may have resulted from the process of care and treatment during the prior admission (e.g., readmission for a surgical wound infection) or from a lack of post admission follow-up (e.g., lack of follow-up arrangements with a primary care physician) rather than from unrelated events that occurred after the prior admission (e.g., broken leg due to trauma) within a specified readmission time interval.

Anchor Claim or Initial Admission – An inpatient admission and the related claim for services at an acute, general, or short-term hospital and for which the date of discharge for such admission is used to determine whether a subsequent admission at that same hospital occurs within 30 days.

Potentially Preventable Readmission (PPR) – A potentially preventable readmission is a readmission (re-hospitalization within a specified time interval) that is clinically related (as defined by OAC Rule 5160-2-14) and may have been prevented had adequate care been provided during the anchor hospital stay.

Readmission – An admission to a hospital occurring within 30 days of the date of discharge from the same hospital. Intervening admissions to non-acute care facilities (e.g., a skilled nursing facility) are not considered readmissions and do not affect the designation of an admission as a readmission.

Patient Protection and Affordable Care Act Pub. L. No, 111-148 § 3025(a), 124 Stat. 119, 408 (2010). The Affordable Care Act, Section 3025, § 1886(q),

42 CFR 412.150 through 412.154 include the rules for determining the payment adjustment under the Hospital Readmission Reductions Program for applicable hospitals to account for excess readmissions in the hospital.

Federal Register, Vol. 79, No. 163, August 22, 2014, pages 50024 – 50048. Available at: <http://www.gpo.gov/fdsys/pkg/FR-2014-08-22/pdf/2014-18545.Pdf>

Ohio Administrative Code available at <http://codes.ohio.gov/oac/>