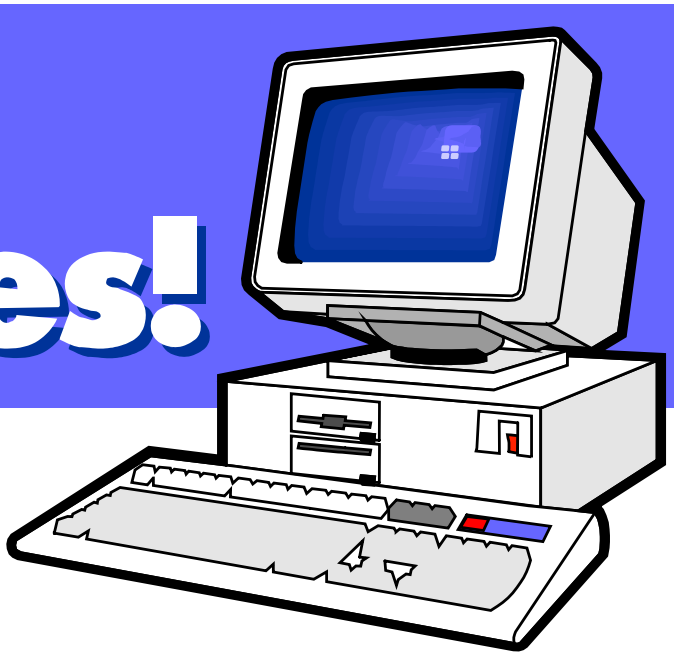
This Computes!



Department of Health Care Services
Children's Medical Services Network (CMS Net) - Information Bulletin #426 (Revised 12/27/13)

AUTHORIZATION OF SARS FOR CCS AND GHPP INPATIENT ADMISSIONS UNDER DIAGNOSIS RELATED GROUP (DRG) REIMBURSEMENT METHODOLGY (Revised)

Reference: (a) This Computes Information Bulletin #424

(b) CCS Numbered Letter (NL) 02-0413

(c) CCS NL 05-0502

Revision

This revision provides for authorization of an admission date range for elective surgeries.

Background

Effective July 1, 2013, pursuant to Section 14105.28 of the Welfare and Institutions Code (WIC) Medi-Cal will implement new pricing methodology based on "Diagnosis Related Groups" (DRGs) for reimbursement of inpatient stays at private hospitals. Inpatient stays of non-Medi-Cal California Children's Services (CCS) and Genetically Handicapped Persons Program (GHPP) clients, i.e., CCS-only, CCS/Healthy Families, and GHPP-Only, will also be subject to DRG pricing methodology.

The DRG pricing methodology provides episode-based reimbursement pursuant to a prior authorized inpatient admission. Notwithstanding previous policy guidance, for inpatient admissions authorized by a CCS or GHPP Service Authorization Request (SAR), including admissions for beneficiaries with emergency Medi-Cal or for authorization of neonatal intensive care unit (NICU)

Revised: December 27, 2013
Distributed: June 18, 2013
HF

services at a CCS approved NICU, daily per diem authorization will not be required.

Inpatient stays at California's "designated public hospitals" will continue to be reimbursed on a certified public expenditure basis as provided for in Section 14166.1 of the Welfare and Institutions Code and the Medi-Cal Hospital/Uninsured Care Demonstration Waiver. This requires both prior authorization of the inpatient admission and of the number of per diem days approved for the inpatient episode. In accordance with previous policy guidance this includes NICU services at a CCS approved NICU.

The reimbursement methodology applicable to inpatient episodes at out-of-state hospitals will depend on the circumstances of the admission.

The reimbursement methodology applicable to inpatient episodes in which there is a transfer or a discharge and readmission will depend on the circumstances of the transfer or discharge and readmission.
CCS only authorizes acute inpatient admissions. CCS does not authorize administrative days.

Issues

1. The CMS Net SAR System requires the user to enter data in the "Service Begin Date," "Service End Date," and "Number of Days" fields. Additionally, the CMS Net logic confirms the value entered in the "Number of Days" field is consistent with the dates entered in the "Service Begin Date," and "Service End Date" fields, i.e., that the number of days "computes."

2. When authorizing an inpatient episode at a "designated public hospital", the CMS Net user must enter the number of per diem days authorized.

CMS Net Procedural Requirements for Inpatient Admissions Effective July 1, 2013

The following procedural requirements apply only to staff using the Children's Medical Services Network (CMS Net) System to generate CCS and GHPP SARs.

1. When authorizing a SAR for an inpatient admission at a California private hospital, including admissions of neonates to a CCS approved NICU of neonates who meet the medical eligibility criteria provided for in CCS NL 02-0413 and 05-0502, the CMS Net user shall conform to the following protocol:

a. Service Begin Date shall be the inpatient episode admission date.

b. Service End Date shall be one calendar day subsequent to the Service Begin Date. (See #6 Elective Surgeries below, which provides for admission flexibility within in a "window period.")

c. Number of Days shall be 1 day.

Notes:

i. The payment system DRG logic will disregard the Service End Date and Number of Days on the SAR when pricing an inpatient claim.

ii. All acute inpatient stays at California private hospitals with dates admission prior to July 1, 2013, will be paid on a per diem basis and require authorization of the number of per diem days.

2. When generating a SAR for an inpatient admission at a Designated Public Hospital, including admissions to a CCS approved NICU of neonates who meet the medical eligibility criteria provided for in CCS NL 02-0413 and 05-0502, the CMS Net User shall conform to the following protocol:

a. Service Begin Date shall be the inpatient episode admission date.

b. Service End Date shall be the calendar day of the inpatient discharge date.

c. Number of Days shall be the number of acute inpatient days determined to be medically necessary by CCS or GHPP for the inpatient episode.

d. The California Designated Public Hospitals are:
- UC Davis Medical Center
- UC Irvine Medical Center
- UC San Diego Medical Center
- UC San Francisco Medical Center.

- UC Los Angeles Medical Center, including Santa Monica/UCLA Medical Center
- LA County Harbor/UCLA Medical Center
- LA County Olive View UCLA Medical Center.
- LA County Rancho Los Amigos National Rehabilitation Center.
- LA County University of Southern California Medical Center.
- Alameda County Medical Center
- Arrowhead Regional Medical Center
- Contra Costa Regional Medical Center
- Kern Medical Center
- Natividad Medical Center
- Riverside County Regional Medical Center
- San Francisco General Hospital
- San Joaquin General Hospital
- San Mateo Medical Center
- Santa Clara Valley Medical Center
- Ventura County Medical Center

3. Acute Inpatient Rehabilitation

   Acute inpatient rehabilitation inpatient episodes will continue to be paid on a per diem basis. Refer to CCS Numbered Letter 29-1092 for rehabilitation facility admission criteria. When generating a SAR for an inpatient admission for acute rehabilitation the CMS Net user shall conform to the following protocol:

   a. Service Begin Date shall be the inpatient episode admission date.

   b. Service End Date shall be the calendar day of the inpatient discharge date.

   d. Number of Days shall be the number of acute inpatient days determined to be medically necessary by CCS for the inpatient episode.

4. Out-of-State Inpatient Authorizations

   a. Routine “border state admissions” will be authorized in accordance with #1 above and reimbursed in accordance with DRG methodology.

b. Emergency out-of-state inpatient admissions that are not “border state admissions” will be authorized in accordance with either #1 or #2 above as determined by the specific circumstances of the case and reimbursed in accordance with the applicable methodology.

c. Negotiated out-of-state admissions for services not available in-state will be authorized and reimbursed in accordance with the negotiated agreement specific to the case.

5. Transfers and Discharges and Readmissions

a. If a beneficiary is discharged from one hospital and readmitted to another hospital, two SARs are required; one SAR for each hospital admission.

b. If a beneficiary is transported to another hospital for a procedure that is the responsibility of the originating hospital and then returns to the originating hospital, only one admission SAR for the initial hospital admission is required.

c. If a beneficiary is transferred from one hospital to another for a higher level of care or for care at a lower level in a hospital closer to the beneficiary’s home, two SARS are required.

6. Elective Surgeries

Elective Inpatient Admissions may be authorized in specific date ranges of three to six months and the number of days authorized should be one day. This will allow for admission flexibility within that “window period”.

a. Service Begin Date shall be the scheduled inpatient episode admission date.

b. Service End Date may be up to 180 calendar days subsequent to the Service Begin Date.

c. Number of days shall be one day.