



CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

Superior Systems Waiver Renewal

for October 1, 2015 through September 30, 2017

Housekeeping

- For clarity of audio, all participants calling in on the phone will be placed on mute by the webinar moderator.
- For technical issues, expand the chat box on the right and choose "DHCS Web Conferencing (organizer)" from the drop-down menu.
- If you have questions during the webinar, expand the chat box on the right and choose "DHCS Web Conferencing (organizer)".
- Please be aware that the dial in number may result in a charge.
- Questions will be answered at the end of the webinar.

Background: Superior Systems Waiver (SSW)

- The SSW provides authority for the Department of Health Care Services' (DHCS) utilization management plan for Medi-Cal Fee-For-Service acute inpatient admissions.
- The SSW includes a description of the new utilization review (UR) process in which hospitals perform their own utilization review for Medi-Cal Fee-For-Service acute inpatient admissions.

Background: Superior Systems Waiver

- The new UR process uses standardized medical review criteria software, such as InterQual® or MCG (formerly Milliman Care Guidelines).
- The current SSW expires September 30, 2015.

SSW Renewal

- DHCS must submit the SSW renewal application to the Centers for Medicare & Medicaid Services by June 30, 2015.
- The new SSW will include plans for implementation of the new UR process at Non-Designated Public Hospitals and Private Hospitals.

SSW Renewal

- DHCS plans to base this transition on electronic medical records systems and electronic means of documentation whenever possible.
- A TAR-free process is already in place at Designated Public Hospitals.
- The focus of this presentation relates primarily to the non-Designated Public Hospitals and Private Hospitals.

DHCS Draft Acute Inpatient Utilization Review (UR) Plan

Type of Acute Inpatient Stay	Non-Designated Public Hospitals & Private Hospitals	Designated Public Hospitals
General Acute Care – Full Scope		
General acute care inpatient stay	Hospital UR for the admission utilizing InterQual®/MCG – DHCS to review a statistically valid claim sample <i>(Previously an Admit TAR)</i>	Hospital UR for each acute day utilizing InterQual®/MCG in DHCS to review a statistically valid sample
General Acute Care- Restricted Aid Codes		
General acute care inpatient stay	TAR every day <i>(No change from current process)</i>	Hospital UR utilizing InterQual®/MCG and Medi-Cal restricted aid code policy (22 CCR § 51056) – DHCS to review a focused statistically valid sample

DHCS Draft Acute Inpatient Utilization Review (UR) Plan - OB

Type of Acute Inpatient Stay	Non-Designated Public Hospitals & Private Hospitals	Designated Public Hospitals
Obstetrics (OB) with Delivery – Full Scope or Restricted		
OB admission with delivery that falls within AB 1397	No TAR or InterQual®/MCG required <i>(No change from current process)</i>	No InterQual®/MCG required
OB prolonged stays that exceed timeframe within AB 1397 (Vaginal delivery with stay greater than 2 days; C-section delivery with stay greater than 4 days)	No TAR or InterQual®/MCG required <i>(No change from current process)</i>	Hospital UR utilizing InterQual®/MCG for each additional acute day outside of AB 1397
Obstetrics (OB) non-delivery		
OB admission without a delivery – Full scope aid code	Hospital UR for the admission utilizing InterQual®/MCG – DHCS to review a statistically valid claim sample <i>(Previously an Admit TAR)</i>	Hospital UR for each acute day utilizing InterQual®/MCG – DHCS to review a statistically valid sample
OB admission without a delivery - Restricted aid code	TAR every day <i>(No change from current process)</i>	Hospital UR utilizing InterQual®/MCG and Medi-Cal pregnancy-related care coverage policy – DHCS to review a focused statistically valid sample

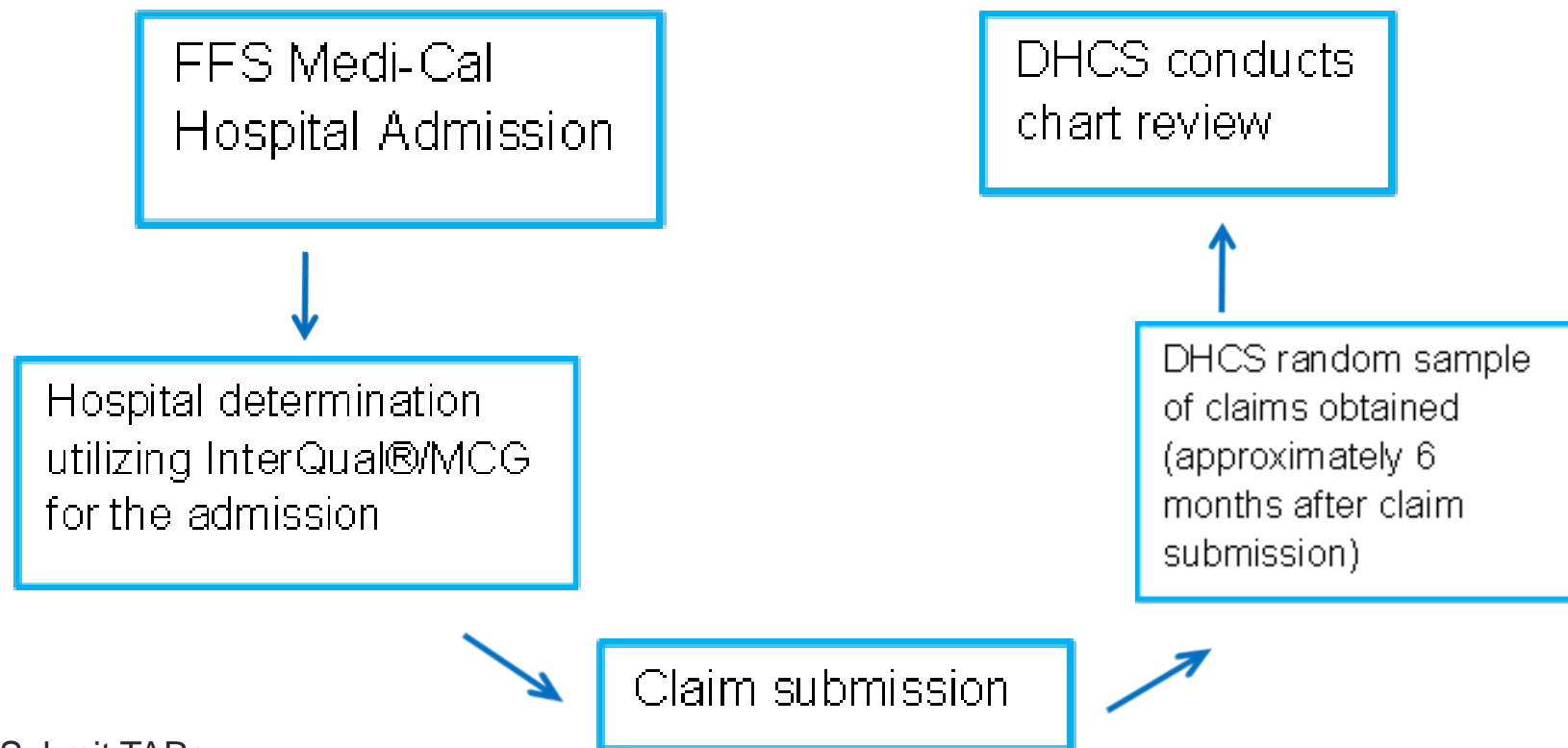
DHCS Draft Acute Inpatient Utilization Review (UR) Plan - Baby

Type of Acute Inpatient Stay	Non-Designated Public Hospitals & Private Hospitals	Designated Public Hospitals
Baby Stays		
Well baby stays - Full scope and Restricted aid code (utilizing maternal aid code)	No TAR or InterQual®/MCG required (No change from current process)	No TAR or InterQual®/MCG required, as per AB 1397
Neonate (sick baby) stays – Full scope and Restricted aid code (utilizing maternal aid code)	Hospital UR for the admission utilizing InterQual®/MCG – DHCS to review a statistically valid claim sample (Previously an Admit TAR) (Please note that this does not apply to CCS and SARs)	Hospital UR for each acute day utilizing InterQual®/MCG – DHCS to review a statistically valid sample (This applies to days not covered by CCS)

DHCS Draft Acute Inpatient Utilization Review (UR) Plan - Other

Type of Acute Inpatient Stay	Non-Designated Public Hospitals & Private Hospitals	Designated Public Hospitals
Other		
Administrative days	TAR every day (No change from current process)	Hospital UR applying Medi-Cal policy and requirements – DHCS to review a focused statistically valid sample
Acute Inpatient Intensive Rehabilitation (AIIR)	TAR every day (No change from current process)	Hospital UR utilizing InterQual®/MCG – DHCS to review a statistically valid sample (Recent change)
Hospice – General Inpatient Care	TAR every day (No change from current process)	TAR every day

UR Process



Submit TARs:

- Restricted Aid Code Stays (Non-Newborn and Non-OB Delivery)
- Administrative Days (Level 1 and 2)
- Acute Inpatient Intensive Rehabilitation
- Hospice – General Acute Care

DHCS Monitoring and Oversight for NDPHs and Private Hospitals

- Admission TARs will no longer be required and instead the hospital will perform its own UR utilizing InterQual®/MCG acute criteria.
- Inpatient stays with daily TAR requirement will continue without changes:
 - Restricted Aid Codes that are not a newborn or beneficiaries that have an obstetrical stay with a delivery
 - Administrative Days – Level 1 and Level 2
 - Acute Inpatient Intensive Rehabilitation
 - Hospice General Inpatient Care

DHCS Monitoring and Oversight for NDPHs and Private Hospitals

- Estimated impact on TAR volume:

General Acute Care Only	FY 2013/14 Estimated TAR Volume	Estimated TAR Volume under new SSW
Admission TARs	153,779	0
TARs with Daily Requirements	23,510	23,510
Total TARs	177,289	23,510

DHCS Monitoring and Oversight for NDPHs and Private Hospitals

- Hospital requirements under the new UR plan:
 - Hospital to ensure that UR staff are trained on the use of InterQual®/MCG acute criteria.
 - Use of the current version of the acute criteria for InterQual®/MCG. (Please note -The hospital determines which product it will use.)
 - Training of applicable hospital UR staff on the new process, requirements, and relevant Medi-Cal policies by DHCS staff prior to beginning the new UR process.
 - Electronic access for DHCS staff to FFS Medi-Cal beneficiary charts, InterQual®/MCG determinations, and secondary review decisions.

DHCS Monitoring and Oversight for NDPHs and Private Hospitals

- Hospital requirements under the new UR plan (continued):
 - Completion of the required UR process prior to claim submission.
 - Have an established process in place for secondary reviews performed by a California licensed physician, not involved in the medical care for the beneficiary.
 - Have an established process for reporting of FFS Medi-Cal hospital admissions denied through the hospital's UR process to DHCS.

DHCS Monitoring and Oversight for NDPHs and Private Hospitals

- What are Secondary Reviews?
- These are reviews of hospital admissions that do not meet acute InterQual®/MCG criteria, but hospital staff feel are acute and medically necessary.
- If the admission did not meet criteria then the case could be referred to the hospital's California licensed MD or DO who was not involved with the beneficiary's medical care.
- The physician would determine if the care was medically necessary and required an acute inpatient admission. If the case was authorized, medical justification must be documented.
- In order to bill for the hospital stay, the admission must meet acute InterQual®/MCG criteria or be approved through the secondary review process. This process must be completed prior to claim submission.

DHCS Monitoring and Oversight for NDPHs and Private Hospitals

- Main Points:
 - Paid claims data will be used by DHCS to create a random post-payment sample.
 - The records associated with the random sample will be reviewed by DHCS Nurses and Medical Consultants to validate the appropriate use of InterQual®/MCG criteria and Medi-Cal policy.
 - Any cases authorized through the secondary review process that are part of the random sample will be reviewed by DHCS Medical Consultants (CA licensed physicians).

DHCS Monitoring and Oversight for NDPHs and Private Hospitals

- A “training phase” will be built into the transition for each hospital so that DHCS can provide technical assistance as each facility transitions to the new process.
- DHCS will perform monthly reviews based on the specific random sample.
- Sampling will occur approximately 6 months after claim submission.
- There may be months when your hospital is not part of the random sample. This will depend upon the sampling protocol and the hospital’s monthly FFS Medi-Cal census.

DHCS Monitoring and Oversight for NDPHs and Private Hospitals

- Sampling:
 - The specifics of the sampling protocol are currently under development.
 - We anticipate providing more detail in the April webinar.

DHCS Monitoring and Oversight for NDPHs and Private Hospitals

- Variances are anticipated to fall into four categories:
 1. The required UR process was not followed.
 2. The hospital incorrectly utilized InterQual®/MCG acute criteria to authorize an admission.
 3. The hospital approved a case that does not meet Medi-Cal policy.
 4. DHCS disagrees with the hospital's secondary review decision.
- Variances from these monthly reviews may result in a larger, hospital specific random sampling of cases.
- Continued variances may lead to additional training, monitoring and/or referral to Audits and Investigations.

Transition Schedule

- DHCS anticipates that Non-Designated Public Hospitals and Private hospitals will begin transitioning to the new UR process beginning January 1, 2016.

Questions

- Questions from those submitted via the webinar will be addressed, time permitting.
- Questions regarding the SSW Renewal process may also be submitted to the following email after the webinar:

SSWRenewal@dhcs.ca.gov

Additional Information/Next Webinar

- Additional information regarding the SSW Renewal is available at the Stakeholder page. Questions and responses from the webinar will also be posted here:

<http://www.dhcs.ca.gov/services/medical/Pages/SuperiorSystemsWaiver>

- The next SSW Renewal Stakeholder Webinar will be held on **April 16, 2015**. Details on the time and link to follow.