# Payment Policy | Hospital Readmissions



**EFFECTIVE DATE:** 01/01/2015 **POLICY LAST UPDATED:** 01/05/2015

#### **OVERVIEW**

This administrative policy is applicable to facilities reimbursed based on a contracted DRG or case rate methodology. It defines the payment guidelines for readmissions to an acute general short-term hospital occurring within ten (10) calendar days of the date of discharge from the same acute general short-term hospital for the same, similar, or related diagnosis.

This policy applies to in network facilities for readmissions that have occurred within ten (10) calendar days of a previous discharge within the same hospital.

Blue Cross and Blue Shield of RI (BCBSRI) shall conduct a medical records review to determine if the second hospital admission is related to the primary hospital admission.

#### **PRIOR AUTHORIZATION**

This policy does not supersede any inpatient recommended or required preauthorization or notification rules that are currently in place.

#### **POLICY STATEMENT**

BCBSRI shall conduct hospital readmission review to determine if the readmission was considered clinically related to the initial admission. Readmission determined to be related to the primary admission will not be reimbursed.

Excluded from readmission review are:

- · Readmissions that are planned for repetitive treatments such as cancer chemotherapy, transfusions for chronic anemia or other similar repetitive treatments or scheduled elective surgery
- · Readmissions due to malignancies (limited to those who are in an active chemotherapy regimen) burns or cystic fibrosis
- · Readmissions due to bone marrow transplants
- · Obstetrical admissions
- · Readmissions with a discharge status of left against medical advice
- · Readmissions greater than 10 days from the last discharge
- · In network facilities that are <u>not</u> reimbursed based on a contracted DRG or case rate methodology (e.g. per diem)
- Readmissions when the primary admission for Transit Ischemia Attack (TIA) had all of the following:
  - 1. ABCD score of 3 or greater
  - 2. Brain, carotid and cardiac imaging was completed
  - 3. Started on anti-platelets during the first admission
  - 4. Had CVA within 14 days

BCBSRI reserves the right to perform retrospective medical records reviews and retract payment according to the guidelines in this policy. These medical record reviews are not medical necessity reviews and as such are not required to follow or are applicable to Rhode Island's utilization review law. Standard administrative provider appeal rights/process is applicable in cases in which BCBSRI determines the readmission is related

to the initial admission and the provider is in disagreement with the determination of non-payment of the readmission by BCBSRI.

#### **CRITERIA**

Medical records shall be reviewed to determine if the readmission was clinically related to the primary admission based on one of the following criteria:

- A medical readmission for a continuation or recurrence for the initial admission or closely related condition (e.g. readmission for diabetes following an initial admission for diabetes)
- A medical complication related to an acute medical complication related to care during the initial admission, (e.g. patient discharged with urinary catheter readmitted for treatment of a urinary tract infection)
- An unplanned readmission for surgical procedure to address a continuation or a recurrence of a problem causing the initial admission (e.g., readmitted for appendectomy following and a primary admission for abdominal pain and fever)
- An unplanned readmission for a surgical procedure to address a complication resulting from care from the primary admission (e.g., readmission for drainage of a post-operative wound abscess following an initial admission for a bowel resection)

Note: Medical record review is to determine if the admission is related and not an assessment of medical necessity or appropriateness of the setting.

### **COVERAGE**

Benefits may vary between groups/contracts. Please refer to the appropriate subscriber agreement or evidence of coverage for applicable inpatient coverage/benefits.

## **CODING**

Not applicable

## **RELATED POLICIES**

None

## **PUBLISHED**

Provider Update January 2015 Provider Update November 2014 Provider Update August 2013

## **REFERENCES**

Centers for Medicare & Medicaid Services (CMS). *Medicare Claims Processing Manual.* Chapter 3: Inpatient Hospital Billing. §40.2.4: IPPS Transfers Between Hospitals. Part A: Transfers Between IPPS Prospective Payment Acute Care Hospitals; p.116. [CMS Web site]. 12/10/10. Available at: http://www.cms.gov/manuals/downloads/clm104c03.pdf. Accessed September 29, 2011.

Centers for Medicare & Medicaid Services (CMS). *Medicare Learning Network*. Acute Care Hospital Inpatient Prospective Payment. [CMS Web site]. 12/17/10. Available at: http://www.cms.gov/MLNProducts/downloads/AcutePaymtSysfctsht.pdf. Accessed September 29, 2011.

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edically necessary services which are non-covered benefits), you may not charge the member for the services unless you have informed the ember and they have agreed in writing in advance to continue with the treatment at their own expense. Please refer to your participation greement(s) for the applicable provisions. This policy is current at the time of publication; however, medical practices, technology, and knowledge
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