



Date: August 27, 2021

To: Oregon Health Plan (OHP) hospital providers
Coordinated care organizations (CCOs)

From: Donald Jardine, Medicaid Transformation Programs manager
David Inbody, CCO Operations Manager

Subject: Changes to hospital transfer policy and prior authorization requirements for long-term acute care (LTAC) hospitals and inpatient rehabilitation services, effective immediately

The Oregon Health Authority (OHA) is making the following changes to help reduce the burden on Oregon's hospitals and health systems as they respond to the current surge in COVID-19 hospitalizations:

Multiple transfers and reimbursement:

For in-state and out-of-state contiguous transfers (patient status 02 and 05), regional hospitals can use patient status 10 for back transfers to rural hospitals. Patient status 10 will bypass the current transfer policy ([Oregon Administrative Rule 410-125-0165](#)) and allow the transferring regional hospital to receive the full DRG payment and outlier if applicable.

Prior authorization reviews paused for LTAC hospitals and inpatient rehabilitations:

For clients with fee-for-service (open card) medical benefits, OHA will automatically approve discharge to inpatient rehabilitation units and LTAC hospitals if the prior authorization request shows that:

- The billing and rendering providers are Medicaid-enrolled,
- The client has current OHP eligibility, and
- The requested services are paired above the funded line on the Prioritized List of Health Services.

CCOs are encouraged to support these efforts with their providers.

What should you do?

For transfers, please use patient status codes as appropriate.

- 02: Discharged/transferred to another short-term General Hospital for inpatient care
- 05: Discharged/transferred to a Designated Cancer Center or Children's Hospital
- 10: Discharge for back transfers to rural hospitals (defined by State Level, if necessary)

Also remember that [the federal 1135 blanket waiver](#) permits non-hospital buildings/space to be used for patient care and allows Critical Access Hospitals flexibility in establishing temporary off-site locations. Please refer to the [Oregon Medicaid Covid-19 Provider Guide](#) for more information about flexibilities for hospitals during the COVID-19 public health emergency.

Questions?

- For CCO members, providers are encouraged to [contact the member's CCO](#).
- For fee-for-service members, [contact the Provider Services Unit](#) (800-336-6016, Option 5).

Thank you for your continued support of the Oregon Health Plan and the services you provide to our members.