

Donald Ross, Manager  
DMAP Policy and Planning Section

Authorized Signature

Number: DMAP- IM-10-154

Issue Date: 12/29/2010

Topic: Medical Benefits

Subject: Provider announcement: Hospital Acquired Conditions policy to be effective Feb. 1, 2011

**Applies to (check all that apply):**

- |  |   |
|--|---|
| <input type="checkbox"/> All DHS employees             | <input type="checkbox"/> County Mental Health Directors   |
| <input type="checkbox"/> Area Agencies on Aging        | <input type="checkbox"/> Seniors and People with Disabilities   |
| <input type="checkbox"/> Children, Adults and Families | <input checked="" type="checkbox"/> Other (please specify): DHS staff and others identified on the SPD, CAF, AMH and DMAP transmittal lists |
| <input type="checkbox"/> County DD Program Managers    |   |

**Message:**

DMAP will post the following letter on the [OHP Provider Announcements](#) page. It tells hospital providers that the policy described in the letter posted at <https://apps.state.or.us/cf1/OHP/OHPadmin/files/hac-claims0111.pdf> will be effective Feb. 1 instead of Jan. 1, 2011.

*If you have any questions about this information, contact:*

<b>Contact(s):</b>	Angel Wynia, DMAP Hospital Policy Analyst		
<b>Phone:</b>	503-945-5754	<b>Fax:</b>	503-373-7689
<b>E-mail:</b>	<a href="mailto:angel.wynia@state.or.us">angel.wynia@state.or.us</a>		

## Feb. 1 system update for Hospital Acquired Conditions

Starting Feb. 1, 2011, the Division of Medical Assistance Programs (DMAP) will no longer cover Hospital Acquired Conditions (HACs) for inpatient hospital claims with dates of admission on or after Feb. 1, 2011. This change was originally scheduled for Jan. 1, 2011.

For more information about this change, including billing tips and a list of HACs, see the letter posted at <https://apps.state.or.us/cf1/OHP/OHPadmin/files/hac-claims0111.pdf>.

We regret any inconvenience this may cause, and appreciate your patience as we continue to make system improvements.

### Changes to inpatient claim processing to begin Feb. 1, 2011

Starting Feb. 1, DMAP will process affected inpatient claims as follows:

- DRG inpatient claims with HAC diagnoses flagged with an "N" or "U" indicator will pay at a lower DRG rate.
- Type A/B inpatient claims with HAC diagnoses flagged with an "N" or "U" indicator will suspend for manual review.

POA Indicator	Description	HAC covered?
Y	Diagnosis was present at time of inpatient admission.	Yes
N	Diagnosis was not present at time of inpatient admission.	Deny or suspend
U	Documentation insufficient to determine if condition was present at the time of inpatient admission.	
W	Clinically undetermined. Provider unable to clinically determine whether the condition was present at the time of inpatient admission.	Yes

For claims that deny or suspend due to a missing, invalid, "N" or "U" POA indicator on a HAC diagnosis:

- The paper remittance advice will list Explanation of Benefit message 0633 (Invalid POA indicator specified on diagnosis).
- The 835 (Electronic Remittance Advice) and Provider Web Portal will list Adjustment Reason Code 233 (Services/charges related to the treatment of a hospital-acquired condition or preventable medical error).

### Questions?

If you have any questions about this announcement or the Provider Web Portal, call the Provider Services Unit at 1-800-336-6016, Monday through Thursday from 8:30 a.m. to 4:30 p.m. and 10 a.m. to 4:30 p.m. on Friday.