



Division of Medical Assistance Programs

Information Memorandum Transmittal

Donald Ross, Manager
DMAP Medicaid Policy and Planning Section

Number: DMAP-IM-13-061

Authorized Signature

Issue Date: 07/30/2013

Topic: Medical Benefits

Subject: Provider announcement: Inpatient Critical Access Hospital claims for Health Care Acquired Conditions will suspend starting September 1, 2013

Applies to:

- All DHS employees
Area Agencies on Aging
Children, Adults and Families
County DD Program Managers
County Mental Health Directors
Aging and People with Disabilities
Other (please specify): DHS and OHA staff and others identified on the APD, CAF, AMH and DMAP transmittal lists

Message:

DMAP will post the following OHP Provider Announcement and distribute via eSubscribe. It explains that DMAP will no longer pay for inpatient claims from Type A/B Critical Access hospitals for treatment of Health-Care Acquired Conditions.

- In 2011, DMAP stopped paying DRG inpatient hospitals and Type A/B Non-Critical Access Hospitals for such conditions.
DMAP is revising Oregon Administrative Rule 410-125-0450 to include Critical Access Hospitals in its Health Care-Acquired Conditions policy.

If you have any questions about this information, contact:

Table with contact information for Angel Wynia, including phone, fax, and email.



Date: July 30, 2013

To: Type A/B Critical Access Hospitals

From: Don Ross, Manager
 Medicaid Policy and Planning Section, DMAP

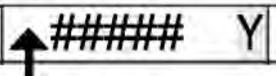
Subject: Changes to fee-for-service inpatient claim processing for Health Care-Acquired Conditions starting September 1, 2013

Inpatient hospital claims with dates of admission on or after September 1, 2013 will pay, deny or suspend based on the Present on Admission (POA) Indicator listed for each [Health Care-Acquired Condition](#) (HCAC) diagnosis, as shown in the table below.

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.	
Missing or invalid	POA Indicator is blank or contains characters other than those listed above.	

What should you do?

For inpatient claims with dates of admission on or after September 1, 2013, enter the POA indicator for all diagnoses on the claim, as shown in the following table.

	Where to enter diagnosis code	Where to enter POA indicator
EDI claims (837I – 2300 loop)	Segment HI, data element HI01	Segment K3, data element K301
Web claims (Diagnosis panel)	“Diagnosis” field	“Present on Admission” field
Paper claims	Unshaded area of FL 67 A-Q (“#####”)  Make sure to include a leading space (see arrow) before the code you are entering so that the POA indicator is linked to the code preceding it, not the one following it.	Shaded area of FL 67 A-Q (“Y/N/U”)

What you will see on the electronic or paper remittance advice

For claims that deny or suspend due to a missing, invalid, "N" or "U" POA indicator on a HCAC 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.*
- The paper remittance advice will list *Explanation of Benefit message 0633 - Invalid POA indicator specified on diagnosis.*

Why is this happening?

Because Section 2702 of the Affordable Care Act prohibits federal reimbursement for any HCAC claims paid by state medical assistance programs, DMAP will no longer pay for such claims.

Questions?

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

If you have any questions about this announcement, contact the Provider Services Unit at dmap.providerservices@state.or.us or call 1-800-336-6016, Monday through Thursday, 8:30 a.m. to 4:00 p.m. and Friday 10 a.m. to 4:00 p.m. (phone lines closed 11:30 a.m. to 12:30 p.m. daily).

Help us improve future announcements:

[Click here](#) to answer six survey questions about this provider announcement.