

Date: 10/23/14

Re: Adding additional discharge status codes to the Vermont Medicaid transfer/short stay payment methodology

Comment: I am submitting this comment on behalf of Rutland Regional Medical Center in regards to the proposed SPA for the use of certain patient Discharge Status Codes (DSC). At the outset, however, I do want to express our appreciation for DVHA providing helpful information and advance notice that allows us to be aware of DVHA's proposed policy changes.

We have two concerns regarding the proposed policy (1) it is not clear that the proposed use of the Discharge Status Codes is consistent with the HIPAA Administrative Simplification requirements; and (2) the proposed use of discharge status codes seems inconsistent with existing definitions and therefore imposes an unnecessary administrative burden on hospitals.

While the notice period did not afford sufficient time for us to reach a conclusion as to whether the proposed DSC policy is consistent with the Administrative Simplification requirements we believe that DVHA's Notice does not provide an adequate assurance to stakeholders that the policy is HIPAA compliant. The concern stems from that fact the DVHA proposes to use the AMA DSC 07 to identify discharges where "the length of state is less than the geometric mean length of stay for the DRG." We believe that DVHA's notice should describe how the use of DSC 07 to identify length of stay is consistent with NUBC's guidance regarding the use DSC 07 which states "that is to be used when a patient leaves against medical advice or the care is discontinued. According to the NUBC, discontinued services may include: patients who leave before triage, or are triaged and leave without being seen by a physician; or patients who move without notice, and the home health agency is unable to complete the plan of care." See MLN Matters, Clarification of Patient Discharge Status Codes and Hospital Transfer Policies, (Mar. 6, 2014) available at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/SE0801.pdf>. It is not clear how the use of DSC 07 to identify all discharges that are less than the mean GLOS is reasonably related to the intended use of DSC 07 to identify AMA discharges unless DVHA's reference to the use of GLOS is limited to AMA discharges that are less than the GLOS.

To the extent that there may be some technical rationale that suggests the proposed use of DSC 07 is consistent with the Administrative Simplification requirements we believe that the proposed policy is inconsistent with the purpose of the Administrative Simplification standards to "improve the efficiency of the health care system by establishing standards to facilitate the electronic transmission of data between providers and payers." See HHS OIG, HIPAA Readiness: Administrative Simplification for Medicaid State Agencies, at 1, (Mar. 2003)



available at <http://oig.hhs.gov/oei/reports/oei-09-02-00420.pdf>. In other words, DVHA's proposed policy is contrary to the globally shared interest in improving efficiency, reducing administrative burdens and their associated costs.

To the extent that our concerns can be addressed by a clarification of the proposed policy we request that DVHA amend its notice to provide that clarifying information. In the alternative, we suggest that DVHA revise its proposed policy to conform to the NUBC definitions.

Respectfully submitted,