

State of Vermont
Department of Vermont Health Access
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Agency of Human Services

Providers,

Please review the following policy summary and attached materials that describe the specific changes being proposed. With this communication, the Reimbursement Unit is inviting comments and feedback regarding the proposed changes.

Any comments should be submitted to the DVHA Reimbursement Unit by the due date specified. Your comments must be received by the due date to be considered before the final policy is released.

Send Comments to: DVHA Reimbursement Unit
312 Hurricane Lane, Suite 102
Williston, VT 05495
AHS.DVHAReimbursement@state.vt.us

Thank you for your consideration,



Kara Suter, Director of Reimbursement and Payment Reform
Meg Baldor, DVHA Rate Setting Manager



Comments Due: 9/20/2014

Proposed Effective Date: 10/1/2014

Policy Subject: Inpatient Same/Next Day Readmission Policy

Purpose:

To improve the quality of patient care in the hospital as well as improve the coordination of post-discharge care.

Policy Summary:

Under the new policy, the DVHA would no longer pay two separate DRG payments for two separate inpatient claims when a patient's subsequent claim's admit date is on the same or next day after their original claim's discharge date, both claims are for the same facility, and both claims are for the same or a related condition.

Inpatient readmission to the same hospital on the same or next day after a discharge for symptoms related to, or for evaluation and management of, the prior stay's medical condition will no longer be separately reimbursable.

Inpatient readmission to the same hospital on the same or next day after a discharge for symptoms *unrelated to, or not* for evaluation and management of, the prior stay's medical condition should be coded with condition code B4 on the claim which will allow the separate episode of care by indicating it is unrelated to the first admission.

This new policy would be effective for all in-state and out-of-state hospitals that are paid under the DVHA's IPPS methodology.

Provider Impact:

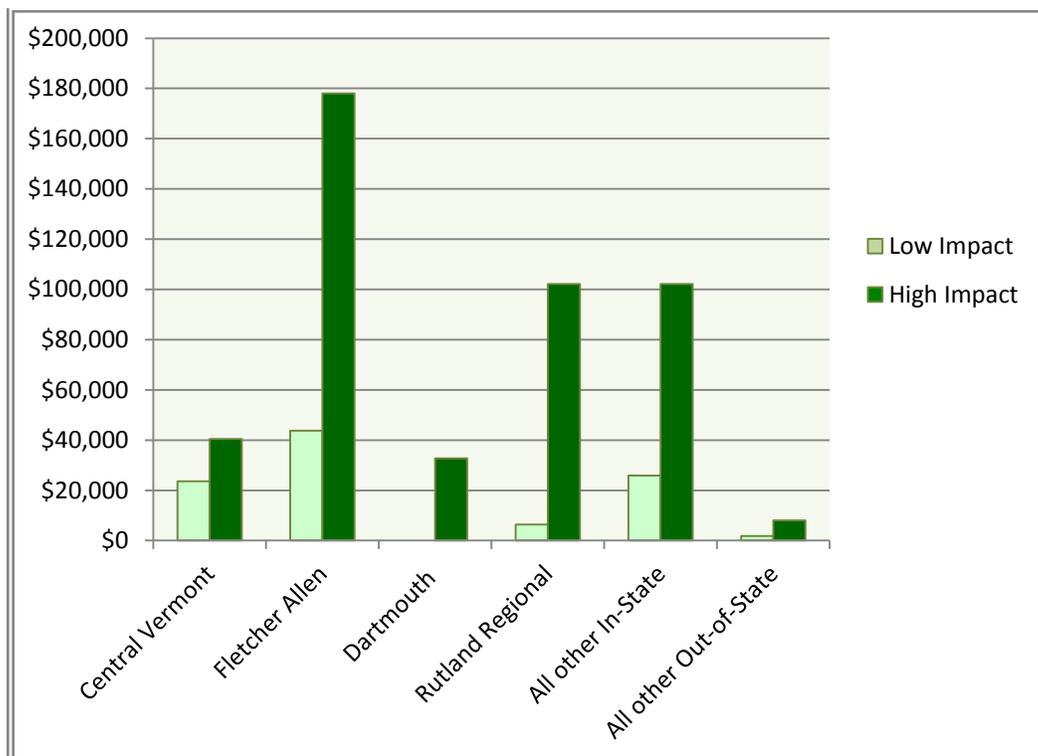
For provider impact, we utilized CY2012 claims data based on dates of service and looked at all paid inpatient claims. For the Low Impact data, we looked at claims where a patient was discharged and readmitted to the same hospital either on the same or next day, and where each claim had the same or consecutive DRG codes (which we assume to be related admissions). For the High Impact data, we looked at claims where a patient was discharged and readmitted to the same hospital either on the same or next day, and each claim had any DRG code (which may or may not be related).



The DVHA is predicting that the overall impact to providers will be somewhere in the range of \$78,102 (low) to \$389,138 (high).

Provider	Low Claim Count	Low Impact	High Claim Count	High Impact
Central Vermont Hospital	3	\$23,671	5	\$40,495
Fletcher Allen Health Care	7	\$43,783	26	\$177,984
Dartmouth Hitchcock	0	n/a	7	\$32,678
Rutland Regional Medical Center	4	\$6,397	14	\$102,198
All other In-State Hospitals	7	\$25,852	16	\$102,113
All other Out-of-State Hospitals	1	\$1,780	4	\$8,072
TOTAL	22	\$78,102	59	\$389,138

**This new rule will exclude claims with a rehab DRG (945, 946) or a psych DRG (56, 57, 80, 81, 876, 880, 881, 882, 883, 884, 885, 886, 887, 894, 895, 896, 897).



Using the low impact figures, the claims make up 0.115% of total inpatient claims paid by Medicaid. Using the high impact figures, the claims make up 0.525% of total inpatient claims paid by Medicaid.

