

INPATIENT READMISSIONS REIMBURSEMENT POLICY FAQ

Notice date: 4/1/2022

Policy Update Effective: **6/1/2022**

Q: Policy application?

A:

- This policy will apply to All Lines of Business except OHP/Medicaid
- This policy will not apply to out-of-network facilities
- This policy will only apply to:
 - DRG,
 - Modified DRG, and
 - Percent of billed charges (this only applies to unplanned readmission criteria)

Q: What updates have been made the PHP/PHA Inpatient Readmission Policy?

A: Providence Health Plan, Providence Health Assurance, and Providence Plan Partners are implementing an updated policy and new reimbursement methodology addressing planned and unplanned inpatient readmissions.

- Unplanned readmissions:
 - Beginning 6/1/2022, the Plan will deny the subsequent, unplanned admission when policy criteria are met. If policy criteria are not met, both admissions will be reimbursed per standard reimbursement methodology (e.g., DRG).
 - **The Plan will no longer combine reimbursement for the initial admission with the unplanned readmission** when policy criteria are met.
- Planned readmissions:
 - Beginning 6/1/2022, the Plan will combine the initial and subsequent admissions into a single DRG payment for planned readmissions when policy criteria are met.
 - The final combined payment will be based on the DRG with the highest relative weight.

Q: What is the basis for this change?

A: Policy updates were based and supported by CMS guidelines, a review of other plan policies, contracts, benefits, and legal and regulatory vetting.

Q: When?

A:

- The effective date is 6/1/2022.
- A draft version of the policy will be available on ProvLink and [here](#) on 4/1/2022.

Q: Additional notes?

A:

- The Plan is dedicated to widely communicating the policy changes to all in-network facilities and providers who will be impacted by this change.
 - We will reach out to providers/facilities directly via email
 - These changes will be published on ProvLink and above the log in at the Providence Health Plan website: [LINK](#)
 - 60-day notice will be provided to ensure communication and time for facility assessment and incorporation of the policy changes.
- Please note, for unplanned readmission, the intent of the policy is to only deny those readmissions which could have been prevented or were not medically necessary. The Plan acknowledges there are many, medically necessary reasons and conditions that a member would require an unplanned readmission.
- As per our Plan policy and standard practice, facilities and providers may submit for a reconsideration (commercial members) or appeal (Medicare members) to obtain review of any disputed denial.