



## Reimbursement Policy

### Subject: Inpatient Readmissions

Effective Date: **06/01/18**

Committee Approval Obtained:  
**06/01/18**

Section:  
**Administration**

\*\*\*\*\*The most current version of the reimbursement policies can be found on our provider website. If you are using a printed version of this policy, please verify the information by going to <https://providers.amerigroup.com>. Under Quick Tools, select Reimbursement Policies > Medicare. \*\*\*\*\*

These policies serve as a guide to assist you in accurate claim submissions and to outline the basis for reimbursement if the service is covered by a member's Amerigroup Medicare Advantage benefit plan. The determination that a service, procedure, item, etc. is covered under a member's benefit plan is not a determination that you will be reimbursed. Services must meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis as well as to the member's state of residence. You must follow proper billing and submission guidelines. You are required to use industry standard, compliant codes on all claim submissions. Services should be billed with CPT® codes, HCPCS codes and/or revenue codes. The codes denote the services and/or procedures performed. The billed code(s) are required to be fully supported in the medical record and/or office notes. Unless otherwise noted within the policy, our policies apply to participating providers and facilities; a non-contracting provider who accepts Medicare assignment will be reimbursed for services according to the original Medicare reimbursement rates.

If appropriate coding/billing guidelines or current reimbursement policies are not followed, Amerigroup Medicare Advantage may:

- Reject or deny the claim.
- Recover and/or recoup claim payment.

Amerigroup Medicare Advantage reimbursement policies are developed based on nationally accepted industry standards and coding principles. These policies may be superseded by mandates in provider, state, federal or CMS contracts and/or requirements. System logic or setup may prevent the loading of policies into the claims platforms in the same manner as described; however, Amerigroup Medicare Advantage strives to minimize these variations.

Amerigroup Medicare Advantage reserves the right to review and revise our policies periodically when necessary. When there is an update, we will publish the most current policy to this site.

### Policy

Amerigroup Medicare Advantage does not allow separate reimbursement for claims that have been identified as a readmission to the same hospital for the same, similar or related condition, unless provider, federal or CMS contracts and/or requirements indicate

otherwise. In compliance with federal mandates, Amerigroup Medicare Advantage uses the following standards:

- Readmission up to 30-days from discharge
- Same diagnosis or diagnoses that fall into the same grouping

Amerigroup Medicare Advantage will utilize information indicating clinically-related readmissions, clinical criteria and/or licensed clinical medical review for readmissions from day 2 to day 30 in order to determine if the second admission is for:

- The same or closely-related condition or procedure as the prior discharge.
- An infection or other complication of care.
- A condition or procedure indicative of a failed surgical intervention.
- An acute decompensation of a coexisting chronic disease.
- A need that could have reasonably been prevented by the provision of appropriate care consistent with accepted standards in the prior discharge or during the post discharge follow up period.
- An issue caused by a premature discharge from the same facility.
- A reason that is medically unnecessary.

Readmissions occurring within 30 days for symptoms related to, or for evaluation and management of, the prior stay's medical condition are considered part of the original admission. Amerigroup Medicare Advantage considers a readmission to the same hospital for the same, similar or related condition on the same date of service to be a continuation of initial treatment. Amerigroup Medicare Advantage defines same day as services rendered within a 24-hour period (from time of discharge to time of readmission) for participating providers.

Amerigroup Medicare Advantage reserves the right to recoup and/or recover monies previously paid on a claim that falls within the guidelines of a readmission for a same, similar or related condition as defined above.

**Exclusions**

- Admissions for the medical treatment of cancer, primary psychiatric disease and rehabilitation care
- Planned readmissions
- Patient transfers from one acute care hospital to another
- Patient discharged from the hospital against medical advice

This policy only affects those facilities reimbursed for inpatient services by a diagnosis-related group methodology.

<b>History</b>	<ul style="list-style-type: none"> <li>• Biennial review approved and effective 06/01/18: Original admission sentence updated</li> <li>• Review approved 04/03/17 and effective 06/19/17: Clinically related readmissions language added</li> <li>• Biennial review approved 08/01/16: Policy template updated</li> <li>• Biennial review approved 4/27/15: Provider added to absence of mandates language</li> <li>• Initial review approved and effective 01/01/15</li> </ul>
<b>References and Research Materials</b>	<p>This policy has been developed through consideration of the following:</p> <ul style="list-style-type: none"> <li>• CMS</li> </ul>
<b>Definitions</b>	<ul style="list-style-type: none"> <li>• <b>General Reimbursement Policy Definitions</b></li> </ul>
<b>Related Policies</b>	<ul style="list-style-type: none"> <li>• Diagnoses used in DRG Computation</li> <li>• Documentation Standards for Episodes of Care</li> <li>• Other Provider Preventable Conditions</li> <li>• Present on Admission Indicator for Health Care-Acquired Conditions</li> </ul>
<b>Related Materials</b>	<ul style="list-style-type: none"> <li>• None</li> </ul>