



## Reimbursement Policy

**Subject: Inpatient Readmissions**

Effective Date: **10/01/13**

Committee Approval Obtained:  
**04/03/17**

Section: **Facilities**

\*\*\*\*\*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 > Medicaid/Medicare. Note: State-specific exemptions may apply. Please refer to the Exemptions section below for specific exemptions based on your state.\*\*\*\*\*

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 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 both participating and nonparticipating providers and facilities.

If appropriate coding/billing guidelines or current Reimbursement Policies are not followed, Amerigroup may:

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

Amerigroup 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 These policies may be superseded by mandates in provider, state, federal or CMS contracts and/or requirements.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 strives to minimize these variations.

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

	<p>otherwise. In the absence of provider, federal, state and/or contract mandates (see Exhibit A), Amerigroup will use the following standards:</p> <ul style="list-style-type: none"> <li>• Readmission up to 30 days from discharge</li> <li>• Same diagnosis or diagnoses that fall into the same grouping</li> </ul> <p>Amerigroup will utilize clinical criteria and licensed clinical medical review for readmissions from day 2 to day 30 in order to determine if the second admission is for:</p> <ul style="list-style-type: none"> <li>• The same or closely related condition or procedure as the prior discharge.</li> <li>• An infection or other complication of care.</li> <li>• A condition or procedure indicative of a failed surgical intervention.</li> <li>• An acute decompensation of a coexisting chronic disease.</li> <li>• 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.</li> <li>• An issue caused by a premature discharge from the same facility.</li> <li>• A reason that is medically unnecessary.</li> </ul> <p>Readmissions occurring on the same day for symptoms related to or for evaluation and management of the prior stay's medical condition are considered part of the original admission and should be combined. Amerigroup considers a readmission to the same or different hospital for the same, similar or related condition on the same date of service to be a continuation of initial treatment.</p> <p>Amerigroup 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.</p> <p><b>Exclusions</b></p> <ul style="list-style-type: none"> <li>• Admissions for the medical treatment of cancer, primary psychiatric disease and rehabilitation care</li> <li>• Planned readmissions</li> <li>• Patient transfers from one acute care hospital to another</li> <li>• Patient discharged from the hospital against medical advice</li> </ul> <p>This policy only affects those facilities reimbursed for inpatient services by a diagnosis-related group (DRG) methodology.</p>
<b>Exemptions</b>	<ul style="list-style-type: none"> <li>• The following markets apply inpatient readmission criteria to the same hospital for the same, similar or related condition:</li> </ul>

	<ul style="list-style-type: none"> <li>○ Amerigroup Kansas, Inc.</li> <li>○ Amerigroup Community Care in New Jersey</li> <li>○ Amerigroup Washington Inc.</li> <li>● Amerigroup Kansas, Inc. considers the below as exclusions when reviewing readmissions in accordance with Kansas Department of Health and Environment (KDHE): <ul style="list-style-type: none"> <li>○ Readmissions for burns, cystic fibrosis or anemia</li> <li>○ Readmissions for bone marrow transplants</li> <li>○ Readmissions for obstetrical treatment</li> <li>○ Admissions to skilled nursing facilities, long-term acute care facilities and inpatient rehabilitation facilities</li> </ul> </li> <li>● Amerigroup Washington, Inc., in accordance with Washington Health Care Authority (HCA), considers the below as exclusions when reviewing readmissions: <ul style="list-style-type: none"> <li>○ Readmission due to patient nonadherence</li> <li>○ End-of-life and hospice care</li> <li>○ Obstetrical readmissions for birth after an antepartum admission</li> <li>○ Neonatal readmissions</li> <li>○ Transplant readmissions within 180 days of transplant</li> </ul> </li> <li>● Amerigroup Washington, Inc., in accordance with Washington Health Care Authority (HCA), does not apply inpatient readmissions criteria to critical access hospitals.</li> <li>● Medicare Advantage defines same-day as services rendered within a 24-hour period (from time of discharge to time of readmission) for participating providers. Medicare Advantage utilizes clinical criteria and/or licensed clinical medical review for readmissions from day 2 to day 30 for the second admission.</li> </ul>
<p><b>History</b></p>	<ul style="list-style-type: none"> <li>● Update due to regulatory directive: Kansas and Washington exemptions updated; Exhibit A updated effective 01/01/18: Policy language updated</li> <li>● Review approved 04/03/17: <ul style="list-style-type: none"> <li>○ Effective 06/19/17: Medicare Advantage exemption added</li> </ul> </li> <li>● Biennial review approved 08/01/16: Policy language updated; Kansas and New Jersey exemptions added</li> <li>● Update due to regulatory directive (committee approval not required in accordance with Reimbursement Policy Program Guidelines): Washington exemption language and Exhibit A Readmission days updated, effective 01/01/2016</li> <li>● Effective 12/31/15: Exited Florida Medicare</li> <li>● Biennial review approved 04/27/15: Washington and general Exhibit A language updated; policy language updated; New York exemption added</li> </ul>

	<ul style="list-style-type: none"> <li>• Effective 12/31/14: Exited Maryland Medicare</li> <li>• Update due to regulatory directive (committee approval not required in accordance with Reimbursement Policy Program Guidelines): Washington Exhibit A readmission days updated and Washington exemption added, effective 07/01/14</li> <li>• Effective 06/01/14: Ohio removed from Exhibit A and Kansas exemption added; exited Ohio</li> <li>• Louisiana exemption removed, effective 03/17/14</li> <li>• Kentucky added to Exhibit A 01/27/14, effective 01/01/14</li> <li>• Initial committee approval 03/25/13 with effective date of 10/01/13: Template updated</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> <li>• State Medicaid</li> <li>• Amerigroup state contracts</li> </ul>
<b>Definitions</b>	<ul style="list-style-type: none"> <li>• <b>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>

### Exhibit A: Inpatient Readmissions Criteria

<b>Market</b>	<b>Readmission days</b>	<b>Criteria</b>
Medicare Advantage	30 days	Same or related condition
Florida	Same day	GBD standard
Georgia*	3 days	Same or related problem
Kansas	15 days	Related, similar or same diagnosis
Louisiana	Same day	GBD standard
Maryland	Same day	GBD standard
Nevada	Same day	GBD standard
New Jersey*	7 days	Same or similar diagnosis; the same or similar principal diagnosis is defined as principal diagnoses with the same first three digits
Tennessee	30 days	GBD standard
Texas	30 days	Same or closely related diagnosis, or for a condition identified during the previous admission
Washington	14 days	Clinically related condition

**\* Inpatient readmissions within the specified days will follow the same-day readmission process and should be combined into one admission per state guidelines.**