

Certificate and Order for Filing
TEMPORARY ADMINISTRATIVE RULES
A Statement of Need and Justification accompanies this form.

I certify that the attached copies* are true, full and correct copies of the TEMPORARY Rule(s) adopted on *date signed by the
Date prior to or same as filing date.

Oregon Health Authority (OHA), Division of Medical Assistance Programs (Division) 410
Agency and Division Administrative Rules Chapter Number

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to become effective 1/1/12 through 6/25/12
Date upon filing or later A maximum of 180 days including the effective date.

RULEMAKING ACTION

Rule Filing Caption: Non-payment for Provider Preventable Conditions for outpatient services
AMEND: 410-125-0450

Statutory Authority: ORS 413.042 and 414.065
Other Authority: None

Statutes Implemented: ORS 414.065

Subject Matter: The Hospital Services Program administrative rules govern Division of Medical Assistance Programs' (Division) payments for services provided to certain clients. The Division needs to temporarily amend OAR 410-125-0450 to meet the required Jan. 1, 2012 due date for compliance with federal guidelines as outlined by the Centers for Medicare and Medicaid Services (CMS). The Division shall include provider preventable conditions for outpatient services for dates of service on or after July 1, 2012.

Authorized Signers:  12-23-11
Judy Mohr Peterson, Jean S. Donovan or Sandy Wood Date

Secretary of State

Statement of Need and Justification

A Certificate and Order for Filing Temporary Administrative Rules accompanies this form.

Oregon Health Authority (OHA), Division of Medical Assistance Programs (Division) 410
 Agency and Division Administrative Rule Chapter Number

In the Matter of: The temporary amendment of a rule that governs payment for the Hospital Services Program. The Division temporarily amended OAR 410-125-0450.

Rule Filing Caption: Non-payment for Provider Preventable Conditions for outpatient services

Statutory Authority: ORS 413.042 and 414.065

Other Authority: None

Statutes Implemented: 414.025 and 414.065

Need for Rule(s): The Hospital Program administrative rules govern Division payments for services provided to certain clients. The Division needs to temporarily amend OAR 410-125-0450 to meet the required Jan. 1, 2012 due date for compliance with federal guidelines as outlined by the Centers for Medicare and Medicaid Services (CMS). The Division shall include provider preventable conditions for outpatient services for dates of service on or after July 1, 2012.

Justification of Temporary Rule(s): The Department finds that with the delay associated with the permanent rulemaking process rather than taking temporary rulemaking action will result in serious prejudice to the public interest and the interest of hospitals that provide services to medical assistance clients.

This rule amendment is needed to comply with CMS that requires the agency to adopt rules for Provider Preventable Conditions for outpatient services received in a hospital setting.

Failure to amend these rules immediately may result in service prejudice to the fiscal viability of hospitals and reduce client's access to Oregon's hospitals.

Documents Relied Upon, and where these can be viewed or obtained: Federal Register 42CFR 434, Vol. 76 pg 32816 and Section 2702 of the Patient Protection and Affordable Care Act.

Other Agencies affected: None.

Authorized Signers:


 Judy Mohr Peterson, Jean S. Donovan or Sandy Wood

12-23-11
 Date

410-125-0450 Hospital-Acquired Conditions Provider Preventable Conditions

(1) The agency shall no longer cover “hospital-acquired conditions” (HAC) for inpatient hospital claims with dates of admission on or after January 1, 2011.

(2) A hospital-acquired condition is a condition that is reasonably preventable and was not present or identified at the hospital admission.

(3) A “present on admission” (POA) indicator is a status code the hospital uses on an inpatient claim that indicates if a condition was present at the time the order for inpatient admission occurs. A POA indicator can also identify a condition that developed during an outpatient encounter. This includes, but not limited to the emergency department, observation and outpatient surgery.

(4) The agency shall use the most recent list of conditions identified as non-payable by Medicare. The agency may revise through addition or deletion the selected conditions at any time during the fiscal year.

(5) For clients with both Medicare and Medicaid (duals) the agency shall not act as secondary payer for Medicare non-payment of hospital acquired conditions.

(6) Diagnosis-related groups (DRG) and percentage paid hospitals are required to submit a POA indicator for the principal diagnosis and every secondary diagnosis code. A valid POA indicator is required on all inpatient hospital claims. Claims without a valid POA indicator shall be denied.

(7) The following hospitals are exempt from reporting:

(a) Critical access hospitals (CAH)

(b) Maryland waiver hospitals

(c) Children’s inpatient facilities

- (d) Federally qualified health centers
 - (e) Inpatient psychiatric hospitals
 - (f) Veterans Administration/Department of Defense hospitals
 - (g) Long-term care hospitals (LTCH)
 - (h) Cancer hospitals
 - (i) Rural health clinics
 - (j) Religious non-medical health care institutions
 - (k) Inpatient rehabilitation facilities
- (8) For a complete list of HACs and billing instructions please see the hospital supplemental guide.

(9) For outpatient hospital claims with the dates of service on or after July 1, 2012 the agency will no longer cover:

(a) Wrong surgical or other invasive procedure performed on a patient;

(b) Surgical or other invasive procedure performed on the wrong body part;

(c) Surgical or other invasive procedure performed on the wrong patient.

Stat. Auth.: ORS 413.042

Stats. Implemented: ORS 414.065

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