



## Payment Policy

**Subject: Healthcare Acquired Conditions, Provider Preventable Conditions, and Conditions Present on Admission**

**Programs Covered:** OH Medicaid, KY Medicaid, OH Special Needs Program, OH MyCare, and OH Just4Me™

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### ***Policy***

CareSource will, as applicable, deny claims for or reduce the reimbursement amounts for claims by providers that include healthcare acquired conditions or other provider-preventable conditions, or where one of the reported conditions was not present on admission for an inpatient stay, in accordance with CMS guidelines and protocols.

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### ***Definitions***

**“Healthcare acquired condition (HAC),”** means a condition occurring in any inpatient hospital setting which has a negative consequence for the member and which was not present in the member upon admission to that facility. *(from Affordable Care Act of 2010, Section 2702)*

**“Provider preventable condition,”** means a condition occurring in any healthcare setting that is either a healthcare acquired condition or is another condition which has been found by the applicable state to be reasonably preventable by the provider through the application of procedures supported by evidence-based medical guidelines, and which has a negative consequence for the member. These types of conditions include, but are not limited to, wrong surgical or other invasive procedures, surgical or other invasive procedures performed on the wrong body part, or surgical or other invasive procedures performed on the wrong patient. *(from 42 CFR § 447.26)*

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### ***Provider Reimbursement Guidelines***

#### **Healthcare Acquired Conditions**

CareSource will not reimburse providers for healthcare acquired conditions in its members, in accordance with CMS guidelines.

#### **Provider Preventable Conditions**

CareSource will not reimburse providers for provider preventable conditions in its members. If CareSource can reasonably identify and isolate the portion of the claim which is directly related to the treatment of the provider preventable condition, then CareSource will reduce the reimbursement of the claim by that specific amount related to the provider preventable condition. CareSource will not, however, impose a reduction in reimbursement on any claim when a provider preventable condition is found in a CareSource member to have been present and in existence prior to the provider’s treatment of that member.

CareSource will take all necessary actions in order for any state to comply with and implement applicable federal and state laws, regulations, policy guidance and any state policies and procedures relating to the identification, reporting, and non-payment of claims with provider preventable conditions. CareSource requires providers to comply with all federal, state, and CareSource-issued reporting requirements around provider preventable conditions as a condition of claims reimbursement.

### **Conditions Present on Admission**

Hospitals will not receive additional payment for inpatient claims in which one of the conditions reported on the claim was not present when the CareSource member was admitted to the facility. Any such claim will be paid as though the secondary diagnosis were not present.

In accordance with CMS guidelines, CareSource requires facilities to promptly report present on admission information for both primary and secondary diagnoses when submitting claims

**NOTE:** Regardless of how CareSource reimburses, reduces reimbursement for, or denies any claims under this policy, providers may not deny access to healthcare services to any CareSource member based on a healthcare acquired condition or provider preventable condition contracted by that member.

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### ***Related Policies & References***

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Deficit Reduction Act of 2005, Section 5001(c), "Hospital quality improvement."

Affordable Care Act of 2010, Section 2702, "Payment adjustment for healthcare acquired conditions."

42 USC §1396b-1, "Payment adjustment for healthcare acquired conditions."

42 CFR 447.26, "Prohibition on payment for provider-preventable conditions."

907 KAR 14:005, "Healthcare acquired conditions and other provider preventable conditions."

OH Department of Medicaid Hospital Handbook, HHTL 3352-13-05, "Inpatient Hospital Reimbursement on or after July 1, 2013."

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### ***State Exceptions***

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### ***Document History***

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