

Bulletin Number: MSA 06-32

Distribution: Hospitals

Issued: June 1, 2006

Subject: Annual Statewide Post-Discharge Utilization Review

Effective: July 1, 2006

Programs Affected: Medicaid, Children's Special Health Care Services (CSHCS)

The purpose of this bulletin is to implement a new statewide post-discharge utilization review process.

In addition to the utilization review audit process described in the Medicaid Provider Manual, Hospital Chapter, Section 5.7 - Inpatient Hospital Post-Payment Reviews, the Michigan Department of Community Health (MDCH) is implementing a new statewide post-discharge utilization review process to be conducted annually for inpatient hospital facilities (Provider Type 30). Notification letters requesting up to twenty (20) medical records from each facility will be sent by the MDCH Admissions and Certification Review Contractor (ACRC – currently MPRO). The provider will have thirty (30) calendar days to submit the medical records to the ACRC. If the medical records are not received within the required time period, an audit of the hospital may be initiated according to guidelines described in Section 5.7.

The purpose of this review is to monitor utilization, as well as educate and provide feedback to the provider.

Medical records will be reviewed by the ACRC for the following:

- I. Medical Necessity for the Admission [Severity of Illness/Intensity of Service (SI/IS)]
- II. Continued Stay Criteria for Inpatient Hospital Rehabilitation
- III. Discharge Criteria
- IV. Appropriate Setting

If the ACRC identifies any issues of concern during its review (e.g., coding, quality of care, policy, etc.), the issues will be addressed in an educational letter to the provider. If no issues are identified by the ACRC, a letter will not be issued. Although this review will not result in any financial recoveries, the results may be used to select hospitals for follow-up post-payment audits that may result in recoveries (refer to Section 5.7).

Manual Maintenance

Retain this bulletin until the information has been incorporated into the Hospital Chapter of the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved

A handwritten signature in black ink that reads "Susan Moran". The signature is written in a cursive style with a large initial 'S' and a long horizontal stroke at the end.

Susan Moran, Acting Deputy Director
Medical Services Administration