MSA MEDICAL SERVICES ADMINISTRATION

Bulletin

Michigan Department of Community Health

Bulletin Number: MSA 13-08

Distribution: Medicaid Health Plans, Hospitals

Issued: March 1, 2013

Subject: Post-Stabilization Authorization Determinations

Effective: April 1, 2013

Programs Affected: Medicaid

The purpose of this bulletin is to clarify responsibilities of non-contracted hospitals and Medicaid Health Plans (MHP) concerning patient post-stabilization authorization determinations prior to any treatment and after stabilization. A post-stabilization authorization determination refers to the process in which inpatient hospital admission or admission to observation status is authorized by the MHP after the beneficiary has been stabilized. This bulletin sets policy for MHP beneficiaries who are not dually Medicare and Medicaid eligible. MHPs may not utilize prior authorization (PA) requirements for hospital services for dual Medicare and Medicaid eligible beneficiaries enrolled in an MHP and Medicare fee-for-service.

Hospitals are required to make and document all post-stabilization authorization requests by telephone call to the beneficiary's MHP prior to providing any treatment after stabilization. Hospitals must provide the MHP with all requested, necessary and current information including the clinical status upon initial presentation, the clinical status after stabilization, and the initial treatment plan. This information must be provided in accordance with Emergency Medical Treatment & Active Labor Act (EMTALA). The MHP is required to respond to post-stabilization requests within one hour of receipt of the telephone call and may not require hospitals to make additional phone calls if the initial phone call included all necessary and current clinical information. If the MHP does not respond within one hour, authorization for inpatient admission, payment and additional services is automatic.

Within one hour of the phone call in which the hospital provides the required clinical information noted above, the MHP must make an authorization decision which specifies the service authorized. The decision must be based on the information presented by the hospital at the time of the request rather than a list of pre-determined diagnoses that automatically authorize the patient for admission to observation status and not admission to the inpatient hospital. The MHP may not indicate that observation or admission will be authorized depending upon the clinical outcomes and, the MHP may not subsequently reverse an authorization decision based upon the clinical outcomes or length of time the patient remains in inpatient status. If the hospital and MHP are unable to reach agreement on an authorization decision at the time of the request, the hospital and the MHP must arrange a discussion between physicians in order to resolve the dispute.

The MHP contract requires MHPs to provide twenty-four (24) hour, seven (7) day-a-week availability for post-stabilization authorization requests. Hospitals may not wait until the next business day after stabilization to call for authorization. If the hospital does not call for authorization after stabilization prior to providing additional services, the MHP may review the clinical record at the time of request for authorization or payment to determine if inpatient hospital admission or admission to observation status was clinically appropriate.

Manual Maintenance

Retain this bulletin until the information has been incorporated into 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-mailed to 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

Stephen Fitton, Director
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