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State/Territory Name: Michigan

State Plan Amendment (SPA) #: MI 15-0009

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, MD 21244-1850



Financial Management Group

MAR 03 2016

Mr. Chris Priest, Director Medical Services Administration Department of Community Health 400 South Pine Lansing, MI 48933

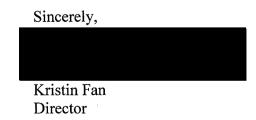
RE: Michigan State Plan Amendment (SPA) 15-0009

Dear Mr. Priest:

We have reviewed the proposed amendment to Attachment 4.19-A and 4.19-B of your Medicaid State plan submitted under transmittal number (TN) 15-0009. Effective for services on or after July 1, 2015, this amendment establishes a reimbursement methodology for hospital stays that meet a certain short stay conditions criteria. The State believes that a single rate of payment is more appropriate for these like conditions regardless of their inpatient or outpatient observation statues. In addition, by removing the bifurcated reimbursement system, the State expects fewer administrative appeals filed by hospitals over claims statuses, especially where a hospital is not a Medicaid Health Plan network provider and Medicaid fee-for-service hospital rates serve as the payment floor.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the regulations at 42 CFR 447 Subpart C. We hereby inform you that Medicaid State plan amendment 15-0009 is approved effective July 1, 2015. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Tom Caughey at (517) 487-8598.



Enclosure

DEPARTMENT OF HEALTH AND HUMAN SERVICES		FORM APPROVED
HEALTHCARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER:	OMB NO. 0938-0193
TRANSMITTAL AND NOTICE OF APPROVAL OF	15 - 0009	Michigan
STATE PLAN MATERIAL	3. PROGRAM IDENTIFICATION: TITLE XI	Michigan X OF THE SOCIAL
FOR: HEALTH CARE FINANCING ADMINISTRATION	SECURITY ACT (MEDICAID)	
	TITLE XIX OF THE SOCIAL SECURITY	Y ACT (MEDICAID)
TO: REGIONAL ADMINISTRATOR HEALTH FINANCING ADMINISTRATION	4. PROPOSED EFFECTIVE DATE	
DEPARTMENT OF HUMAN SERVICES	July 1, 2015	
5. TYPE OF PLAN MATERIAL (Check One):	- Odiy 1, 2010	
		71
		AMENDMENT
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AI		enament)
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT: a. FFY 2015 \$0	
	b. FFY 2016 \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERSEDE	D PLAN SECTION
Attachment 4.1-A, 35a – 35h	OR ATTACHMENT (If Applicable):	
All X (440000) 0 4 0 0	New pages	
Attachment 4.19-B, Pages 2.a.1 – 2.a.8		
10. SUBJECT OF AMENDMENT:		**************************************
Establish a reimbursement system for hospital stays that mee	et certain short stay conditions.	
• • •	•	
11. GOVERNOR'S REVIEW (Check One):		
GOVERNOR'S OFFICE REPORTED NO COMMENT		otor
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED ☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITT.	RALLICAL CARRIAGA Adaminiate	
	~L	
	16. RETURN TO:	
	Medical Services Administration	
13.TYPED NAME:	Actuarial Division - Federal Liaison	
Katnieen Stinler	Capitol Commons Center - 7th Floor	
	400 South Pine	
	Lansing, Michigan 48933	
15. DATE SUBMITTED:	Attn: Erin Black	
The state of the s	A0011. ab (1888) 1.5 % 1.4 (17.5 h. 1 17.8 f. 1892) 1.2 1 \$61.7 h	
	L OFFICE USE ONLY	
17. DATE RECEIVED:	18 DATE APPROVED: MAR 0 3	2016
Taking		
	ONE COPY ATTACHED	
	20. SIGNATURE OF REGIONAL OFFICIAL:	
JUL 0 1 2015		**************************************
21. TYPE NAME: King I = 1	22. TITLE:	
Mristin FAN	Director, FMG	
23. REMARKS:		
		A. e. a.

State of MICHIGAN

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B. SHORT HOSPITAL STAY REIMBURSEMENT

THE STATE UTILIZES A SHORT HOSPITAL STAY (SHS) RATE OF REIMBURSEMENT FOR CERTAIN OUTPATIENT AND INPATIENT HOSPITAL STAYS. THE SHS ENCOMPASSES FUNDING FOR BOTH OPERATING AND CAPITAL COSTS. THE SHS RATE WILL BE IDENTICAL FOR INPATIENT AND OUTPATIENT SERVICES, AND WILL APPLY TO ALL SERVICES BILLED ON THE CLAIM. THE SHS RATE WILL BE \$1,314.00 FOR OUTPATIENT DATES OF SERVICES OR INPATIENT DISCHARGES ON OR AFTER JULY 1, 2015.

THE SHS RATE OF REIMBURSEMENT DOES NOT MODIFY BILLING REQUIREMENTS FOR HOSPITALS. IF THE PATIENT MEETS CRITERIA FOR AN INPATIENT ADMISSION, THE INVOICE MUST BE SUBMITTED AS AN INPATIENT CLAIM. CONVERSELY, IF THE PATIENT DOES NOT MEET CRITERIA FOR AN INPATIENT ADMISSION, THE INVOICE MUST BE SUBMITTED AS AN OUTPATIENT CLAIM. IN EITHER CASE, IF THE CRITERIA FOR THE SHS RATE ARE MET, THE HOSPITAL WILL RECEIVE THE SAME REIMBURSEMENT FOR SERVICES RENDERED. THE SHS RATE ONLY APPLIES TO DISCHARGES FROM A FACILITY, AND DOES NOT APPLY TO TRANSFERS, LEAVING AGAINST MEDICAL ADVICE (AMA), OR OTHER DISCHARGE STATUSES.

THE SHS RATE OF REIMBURSEMENT APPLIES TO BOTH EMERGENT AND ELECTIVE CLAIMS. SHORT HOSPITAL STAYS ARE DEFINED USING THE FOLLOWING CRITERIA.

1. OUTPATIENT HOSPITAL CLAIMS QUALIFICATION

AN OUTPATIENT HOSPITAL CLAIM WILL QUALIFY FOR THE SHS RATE IF ALL OF THE FOLLOWING CRITERIA ARE MET:

- THE PRIMARY DIAGNOSIS CODE BILLED ON THE OUTPATIENT CLAIM IS LISTED IN THE DIAGNOSIS TABLE BELOW.
- THE CLAIM DOES NOT INCLUDE A SURGICAL REVENUE CODE (36X) BILLED ON ANY LINE OF THE OUTPATIENT CLAIM.
- THE CLAIM DOES NOT INCLUDE CARDIAC CATHETERIZATION LAB REVENUE CODE 481.
- THE CLAIM INCLUDES OBSERVATION REVENUE CODE 762.

2. INPATIENT HOSPITAL CLAIMS QUALIFICATION

AN INPATIENT HOSPITAL CLAIM WILL QUALIFY FOR THE SHS RATE IF ALL OF THE FOLLOWING CRITERIA ARE MET:

- THE PRIMARY DIAGNOSIS CODE BILLED ON THE INPATIENT CLAIM IS LISTED IN THE DIAGNOSIS TABLE BELOW.
- THE CLAIM DOES NOT INCLUDE A SURGICAL REVENUE CODE (36X) BILLED ON ANY LINE OF THE INPATIENT CLAIM.
- THE CLAIM HAS A DATE OF DISCHARGE EQUAL TO OR ONE DAY GREATER THAN THE DATE OF ADMISSION.

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• THE CLAIM DOES NOT INCLUDE CARDIAC CATHETERIZATION LAB REVENUE CODE 481.

3. EXCLUSIONS

THE SHS RATE WILL NOT APPLY TO INPATIENT OR OUTPATIENT CLAIMS WITH THE FOLLOWING CONDITIONS:

- CLAIMS WHERE MEDICAID IS THE SECONDARY PAYER.
- CLAIMS FOR PATIENTS WHO LEAVE THE HOSPITAL AMA.
- CLAIMS FOR DECEASED PATIENTS
- CLAIMS THAT INCLUDE PRIMARY DIAGNOSES THAT ARE NOT ON THE TABLE LISTED BELOW.

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4. DIAGNOSES

AS INDICATED, IN ORDER TO QUALIFY FOR THE SHS RATE, A CLAIM MUST INCLUDE ONE OF THE PRIMARY DIAGNOSIS CODES LISTED IN THE TABLE BELOW.

FOR OUTPATIENT DATES OF SERVICE AND INPATIENT DATES OF DISCHARGE ON OR AFTER JULY 1, 2015 AND BEFORE OCTOBER 1, 2015, THE FOLLOWING LIST OF ICD-9 DIAGNOSIS CODES WILL BE USED.

ICD-9 DIAGNOSIS CODE	ICD-9 DIAGNOSIS DESCRIPTION
038.9	UNSPECIFIED SEPTICEMIA
250.10	DIABETES WITH KETOACIDOSIS, TYPE II OR UNSPECIFIED TYPE, NOT STATED AS UNCONTROLLED
250.11	DIABETES WITH KETOACIDOSIS, TYPE I [JUVENILE TYPE], NOT STATED AS UNCONTROLLED
250.12	DIABETES WITH KETOACIDOSIS, TYPE II OR UNSPECIFIED TYPE, UNCONTROLLED
250.80	DIABETES WITH OTHER SPECIFIED MANIFESTATIONS, TYPE II OR UNSPECIFIED TYPE, NOT STATED AS UNCONTROLLED
250.81	DIABETES WITH OTHER SPECIFIED MANIFESTATIONS, TYPE I [JUVENILE TYPE], NOT STATED AS UNCONTROLLED
250.82	DIABETES WITH OTHER SPECIFIED MANIFESTATIONS, TYPE II OR UNSPECIFIED TYPE, UNCONTROLLED
250.83	DIABETES WITH OTHER SPECIFIED MANIFESTATIONS, TYPE I [JUVENILE TYPE], UNCONTROLLED
276.50	VOLUME DEPLETION, UNSPECIFIED
276.51	DEHYDRATION
276.52	HYPOVOLEMIA
345.90	EPILEPSY, UNSPECIFIED, WITHOUT MENTION OF INTRACTABLE EPILEPSY
401.9	UNSPECIFIED ESSENTIAL HYPERTENSION
414.00	CORONARY ATHEROSCLEROSIS OF UNSPECIFIED TYPE OF VESSEL, NATIVE OR GRAFT
414.01	CORONARY ATHEROSCLEROSIS OF NATIVE CORONARY ARTERY
466.11	ACUTE BRONCHIOLITIS DUE TO RESPIRATORY SYNCYTIAL VIRUS (RSV)
466.19	ACUTE BRONCHIOLITIS DUE TO OTHER INFECTIOUS ORGANISMS

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ICD-9 DIAGNOSIS CODE	ICD-9 DIAGNOSIS DESCRIPTION
486	PNEUMONIA, ORGANISM UNSPECIFIED
491.21	OBSTRUCTIVE CHRONIC BRONCHITIS WITH (ACUTE) EXACERBATION
491.22	OBSTRUCTIVE CHRONIC BRONCHITIS WITH ACUTE BRONCHITIS
493.22	CHRONIC OBSTRUCTIVE ASTHMA WITH (ACUTE) EXACERBATION
493.91	ASTHMA, UNSPECIFIED TYPE, WITH STATUS ASTHMATICUS
493.92	ASTHMA, UNSPECIFIED TYPE, WITH (ACUTE) EXACERBATION
558.9	OTHER AND UNSPECIFIED NONINFECTIOUS GASTROENTERITIS AND COLITIS
577.0	ACUTE PANCREATITIS
682.1	CELLULITIS AND ABSCESS OF NECK
682.2	CELLULITIS AND ABSCESS OF TRUNK
682.3	CELLULITIS AND ABSCESS OF UPPER ARM AND FOREARM
682.4	CELLULITIS AND ABSCESS OF HAND, EXCEPT FINGERS AND THUMB
682.5	CELLULITIS AND ABSCESS OF BUTTOCK
682.6	CELLULITIS AND ABSCESS OF LEG, EXCEPT FOOT
682.7	CELLULITIS AND ABSCESS OF FOOT, EXCEPT TOES
682.8	CELLULITIS AND ABSCESS OF OTHER SPECIFIED SITES
682.9	CELLULITIS AND ABSCESS OF UNSPECIFIED SITES
780.2	SYNCOPE AND COLLAPSE
780.39	OTHER CONVULSIONS
786.50	CHEST PAIN, UNSPECIFIED
786.59	OTHER CHEST PAIN

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FOR OUTPATIENT DATES OF SERVICE AND INPATIENT DATES OF DISCHARGE ON OR AFTER OCTOBER 1, 2015, THE FOLLOWING LIST OF ICD-10 DIAGNOSES WILL BE USED.

ICD-10 DIAGNOSIS CODE	ICD-10 DIAGNOSIS DESCRIPTION
A41.9	SEPSIS, UNSPECIFIED ORGANISM
E10.10	TYPE 1 DIABETES MELLITUS WITH KETOACIDOSIS WITHOUT COMA
E10.610	TYPE 1 DIABETES MELLITUS WITH DIABETIC NEUROPATHIC ARTHROPATHY
E10.621	TYPE 1 DIABETES MELLITUS WITH FOOT ULCER
E10.622	TYPE 1 DIABETES MELLITUS WITH OTHER SKIN ULCER
E10.628	TYPE 1 DIABETES MELLITUS WITH OTHER SKIN COMPLICATIONS
E10.649	TYPE 1 DIABETES MELLITUS WITH HYPOGLYCEMIA WITHOUT COMA
E10.65	TYPE 1 DIABETES MELLITUS WITH HYPERGLYCEMIA
E10.69	TYPE 1 DIABETES MELLITUS WITH OTHER SPECIFIED COMPLICATION
E11.610	TYPE 2 DIABETES MELLITUS WITH DIABETIC NEUROPATHIC ARTHROPATHY
E11.618	TYPE 2 DIABETES MELLITUS WITH OTHER DIABETIC ARTHROPATHY
E11.620	TYPE 2 DIABETES MELLITUS WITH DIABETIC DERMATITIS
E11.621	TYPE 2 DIABETES MELLITUS WITH FOOT ULCER
E11.622	TYPE 2 DIABETES MELLITUS WITH OTHER SKIN ULCER
E11.628	TYPE 2 DIABETES MELLITUS WITH OTHER SKIN COMPLICATIONS
E11.649	TYPE 2 DIABETES MELLITUS WITH HYPOGLYCEMIA WITHOUT COMA
E11.65	TYPE 2 DIABETES MELLITUS WITH HYPERGLYCEMIA
E11.69	TYPE 2 DIABETES MELLITUS WITH OTHER SPECIFIED COMPLICATION
E13.621	OTHER SPECIFIED DIABETES MELLITUS WITH FOOT ULCER
E13.622	OTHER SPECIFIED DIABETES MELLITUS WITH OTHER SKIN ULCER
E13.628	OTHER SPECIFIED DIABETES MELLITUS WITH OTHER SKIN COMPLICATIONS
E13.65	OTHER SPECIFIED DIABETES MELLITUS WITH HYPERGLYCEMIA
E13.69	OTHER SPECIFIED DIABETES MELLITUS WITH OTHER SPECIFIED COMPLICATION

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ICD-10 DIAGNOSIS CODE	ICD-10 DIAGNOSIS DESCRIPTION
E86.0	DEHYDRATION
E86.1	HYPOVOLEMIA
E86.9	VOLUME DEPLETION, UNSPECIFIED
G40.401	OTHER GENERALIZED EPILEPSY AND EPILEPTIC SYNDROMES, NOT INTRACTABLE, WITH STATUS EPILEPTICUS
G40.409	OTHER GENERALIZED EPILEPSY AND EPILEPTIC SYNDROMES, NOT INTRACTABLE, WITHOUT STATUS EPILEPTICUS
G40.901	EPILEPSY, UNSPECIFIED, NOT INTRACTABLE, WITH STATUS EPILEPTICUS
G40.909	EPILEPSY, UNSPECIFIED, NOT INTRACTABLE, WITHOUT STATUS EPILEPTICUS
I10	ESSENTIAL (PRIMARY) HYPERTENSION
I25.10	ATHEROSCLEROTIC HEART DISEASE OF NATIVE CORONARY ARTERY WITHOUT ANGINA PECTORIS
125.110	ATHEROSCLEROTIC HEART DISEASE OF NATIVE CORONARY ARTERY WITH UNSTABLE ANGINA PECTORIS
I25.111	ATHEROSCLEROTIC HEART DISEASE OF NATIVE CORONARY ARTERY WITH ANGINA PECTORIS WITH DOCUMENTED SPASM
I25.118	ATHEROSCLEROTIC HEART DISEASE OF NATIVE CORONARY ARTERY WITH OTHER FORMS OF ANGINA PECTORIS
I25.119	ATHEROSCLEROTIC HEART DISEASE OF NATIVE CORONARY ARTERY WITH UNSPECIFIED ANGINA PECTORIS
J18.8	OTHER PNEUMONIA, UNSPECIFIED ORGANISM
J18.9	PNEUMONIA, UNSPECIFIED ORGANISM
J21.0	ACUTE BRONCHIOLITIS DUE TO RESPIRATORY SYNCYTIAL VIRUS
J21.8	ACUTE BRONCHIOLITIS DUE TO OTHER SPECIFIED ORGANISMS
J21.9	ACUTE BRONCHIOLITIS, UNSPECIFIED
J44.0	CHRONIC OBSTRUCTIVE PULMONARY DISEASE WITH ACUTE LOWER RESPIRATORY INFECTION
J44.1	CHRONIC OBSTRUCTIVE PULMONARY DISEASE WITH (ACUTE) EXACERBATION
J45.901	UNSPECIFIED ASTHMA WITH (ACUTE) EXACERBATION
J45.902	UNSPECIFIED ASTHMA WITH STATUS ASTHMATICUS
K52.89	OTHER SPECIFIED NONINFECTIVE GASTROENTERITIS AND COLITIS
K52.9	NONINFECTIVE GASTROENTERITIS AND COLITIS, UNSPECIFIED

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ICD-10 DIAGNOSIS CODE	ICD-10 DIAGNOSIS DESCRIPTION
K85.0	IDIOPATHIC ACUTE PANCREATITIS
K85.1	BILIARY ACUTE PANCREATITIS
K85.2	ALCOHOL INDUCED ACUTE PANCREATITIS
K85.3	DRUG INDUCED ACUTE PANCREATITIS
K85.8	OTHER ACUTE PANCREATITIS
K85.9	ACUTE PANCREATITIS, UNSPECIFIED
L02.11	CUTANEOUS ABSCESS OF NECK
L02.211	CUTANEOUS ABSCESS OF ABDOMINAL WALL
L02.212	CUTANEOUS ABSCESS OF BACK [ANY PART, EXCEPT BUTTOCK]
L02.213	CUTANEOUS ABSCESS OF CHEST WALL
L02.214	CUTANEOUS ABSCESS OF GROIN
L02.215	CUTANEOUS ABSCESS OF PERINEUM
L02.216	CUTANEOUS ABSCESS OF UMBILICUS
L02.219	CUTANEOUS ABSCESS OF TRUNK, UNSPECIFIED
L02.31	CUTANEOUS ABSCESS OF BUTTOCK
L02.411	CUTANEOUS ABSCESS OF RIGHT AXILLA
L02.412	CUTANEOUS ABSCESS OF LEFT AXILLA
L02.413	CUTANEOUS ABSCESS OF RIGHT UPPER LIMB
L02.414	CUTANEOUS ABSCESS OF LEFT UPPER LIMB
L02.415	CUTANEOUS ABSCESS OF RIGHT LOWER LIMB
L02.416	CUTANEOUS ABSCESS OF LEFT LOWER LIMB
L02.419	CUTANEOUS ABSCESS OF LIMB, UNSPECIFIED
L02.511	CUTANEOUS ABSCESS OF RIGHT HAND
L02.512	CUTANEOUS ABSCESS OF LEFT HAND
L02.519	CUTANEOUS ABSCESS OF UNSPECIFIED HAND
L02.611	CUTANEOUS ABSCESS OF RIGHT FOOT
L02.612	CUTANEOUS ABSCESS OF LEFT FOOT
L02.619	CUTANEOUS ABSCESS OF UNSPECIFIED FOOT
L02.811	CUTANEOUS ABSCESS OF HEAD [ANY PART, EXCEPT FACE]
L02.818	CUTANEOUS ABSCESS OF OTHER SITES

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ICD-10 DIAGNOSIS CODE	ICD-10 DIAGNOSIS DESCRIPTION
L02.91	CUTANEOUS ABSCESS, UNSPECIFIED
L03.111	CELLULITIS OF RIGHT AXILLA
L03.112	CELLULITIS OF LEFT AXILLA
L03.113	CELLULITIS OF RIGHT UPPER LIMB
L03.114	CELLULITIS OF LEFT UPPER LIMB
L03.115	CELLULITIS OF RIGHT LOWER LIMB
L03.116	CELLULITIS OF LEFT LOWER LIMB
L03.119	CELLULITIS OF UNSPECIFIED PART OF LIMB
L03.121	ACUTE LYMPHANGITIS OF RIGHT AXILLA
L03.122	ACUTE LYMPHANGITIS OF LEFT AXILLA
L03.123	ACUTE LYMPHANGITIS OF RIGHT UPPER LIMB
L03.124	ACUTE LYMPHANGITIS OF LEFT UPPER LIMB
L03.125	ACUTE LYMPHANGITIS OF RIGHT LOWER LIMB
L03.126	ACUTE LYMPHANGITIS OF LEFT LOWER LIMB
L03.129	ACUTE LYMPHANGITIS OF UNSPECIFIED PART OF LIMB
L03.221	CELLULITIS OF NECK
L03.222	ACUTE LYMPHANGITIS OF NECK
L03.311	CELLULITIS OF ABDOMINAL WALL
L03.312	CELLULITIS OF BACK [ANY PART EXCEPT BUTTOCK]
L03.313	CELLULITIS OF CHEST WALL
L03.314	CELLULITIS OF GROIN
L03.315	CELLULITIS OF PERINEUM
L03.316	CELLULITIS OF UMBILICUS
L03.317	CELLULITIS OF BUTTOCK
L03.319	CELLULITIS OF TRUNK, UNSPECIFIED
L03.321	ACUTE LYMPHANGITIS OF ABDOMINAL WALL
L03.322	ACUTE LYMPHANGITIS OF BACK [ANY PART EXCEPT BUTTOCK]
L03.323	ACUTE LYMPHANGITIS OF CHEST WALL
L03.324	ACUTE LYMPHANGITIS OF GROIN
L03.325	ACUTE LYMPHANGITIS OF PERINEUM

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ICD-10 DIAGNOSIS CODE	ICD-10 DIAGNOSIS DESCRIPTION
L03.326	ACUTE LYMPHANGITIS OF UMBILICUS
L03.327	ACUTE LYMPHANGITIS OF BUTTOCK
L03.329	ACUTE LYMPHANGITIS OF TRUNK, UNSPECIFIED
L03.811	CELLULITIS OF HEAD [ANY PART, EXCEPT FACE]
L03.818	CELLULITIS OF OTHER SITES
L03.891	ACUTE LYMPHANGITIS OF HEAD [ANY PART, EXCEPT FACE]
L03.898	ACUTE LYMPHANGITIS OF OTHER SITES
L03.90	CELLULITIS, UNSPECIFIED
R07.89	OTHER CHEST PAIN
R07.9	CHEST PAIN, UNSPECIFIED
R55	SYNCOPE AND COLLAPSE
R56.9	UNSPECIFIED CONVULSIONS

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VII. SHORT HOSPITAL STAY REIMBURSEMENT

THE STATE UTILIZES A SHORT HOSPITAL STAY (SHS) RATE OF REIMBURSEMENT FOR CERTAIN OUTPATIENT AND INPATIENT HOSPITAL STAYS. THE SHS ENCOMPASSES FUNDING FOR BOTH OPERATING AND CAPITAL COSTS. THE SHS RATE WILL BE IDENTICAL FOR INPATIENT AND OUTPATIENT SERVICES, AND WILL APPLY TO ALL SERVICES BILLED ON THE CLAIM. THE SHS RATE WILL BE \$1,314.00 FOR OUTPATIENT DATES OF SERVICES OR INPATIENT DISCHARGES ON OR AFTER JULY 1, 2015.

THE SHS RATE OF REIMBURSEMENT DOES NOT MODIFY BILLING REQUIREMENTS FOR HOSPITALS. IF THE PATIENT MEETS CRITERIA FOR AN INPATIENT ADMISSION, THE INVOICE MUST BE SUBMITTED AS AN INPATIENT CLAIM. CONVERSELY, IF THE PATIENT DOES NOT MEET CRITERIA FOR AN INPATIENT ADMISSION, THE INVOICE MUST BE SUBMITTED AS AN OUTPATIENT CLAIM. IN EITHER CASE, IF THE CRITERIA FOR THE SHS RATE ARE MET, THE HOSPITAL WILL RECEIVE THE SAME REIMBURSEMENT FOR SERVICES RENDERED. THE SHS RATE ONLY APPLIES TO DISCHARGES FROM A FACILITY, AND DOES NOT APPLY TO TRANSFERS, LEAVING AGAINST MEDICAL ADVICE (AMA), OR OTHER DISCHARGE STATUSES.

THE SHS RATE OF REIMBURSEMENT APPLIES TO BOTH EMERGENT AND ELECTIVE CLAIMS. SHORT HOSPITAL STAYS ARE DEFINED USING THE FOLLOWING CRITERIA.

1. OUTPATIENT HOSPITAL CLAIMS QUALIFICATION

AN OUTPATIENT HOSPITAL CLAIM WILL QUALIFY FOR THE SHS RATE IF ALL OF THE FOLLOWING CRITERIA ARE MET:

- THE PRIMARY DIAGNOSIS CODE BILLED ON THE OUTPATIENT CLAIM IS LISTED IN THE DIAGNOSIS TABLE BELOW.
- THE CLAIM DOES NOT INCLUDE A SURGICAL REVENUE CODE (36X) BILLED ON ANY LINE OF THE OUTPATIENT CLAIM.
- THE CLAIM DOES NOT INCLUDE CARDIAC CATHETERIZATION LAB REVENUE CODE
- THE CLAIM INCLUDES OBSERVATION REVENUE CODE 762.

2. INPATIENT HOSPITAL CLAIMS QUALIFICATION

AN INPATIENT HOSPITAL CLAIM WILL QUALIFY FOR THE SHS RATE IF ALL OF THE FOLLOWING CRITERIA ARE MET:

- THE PRIMARY DIAGNOSIS CODE BILLED ON THE INPATIENT CLAIM IS LISTED IN THE DIAGNOSIS TABLE BELOW.
- THE CLAIM DOES NOT INCLUDE A SURGICAL REVENUE CODE (36X) BILLED ON ANY LINE OF THE INPATIENT CLAIM.
- THE CLAIM HAS A DATE OF DISCHARGE EQUAL TO OR ONE DAY GREATER THAN THE DATE OF ADMISSION.

TN NO.: 15-0009 Approval Date: MAR 0 3 2016 Effective Date: 07/01/2015

Supersedes TN No.: NEW

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• THE CLAIM DOES NOT INCLUDE CARDIAC CATHETERIZATION LAB REVENUE CODE 481.

3. EXCLUSIONS

THE SHS RATE WILL NOT APPLY TO INPATIENT OR OUTPATIENT CLAIMS WITH THE FOLLOWING CONDITIONS:

- CLAIMS WHERE MEDICAID IS THE SECONDARY PAYER.
- CLAIMS FOR PATIENTS WHO LEAVE THE HOSPITAL AMA.
- CLAIMS FOR DECEASED PATIENTS.
- CLAIMS THAT INCLUDE PRIMARY DIAGNOSES THAT ARE NOT ON THE TABLE LISTED BELOW.

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4. DIAGNOSES

AS INDICATED, IN ORDER TO QUALIFY FOR THE SHS RATE, A CLAIM MUST INCLUDE ONE OF THE PRIMARY DIAGNOSIS CODES LISTED IN THE TABLE BELOW.

FOR OUTPATIENT DATES OF SERVICE AND INPATIENT DATES OF DISCHARGE ON OR AFTER JULY 1, 2015 AND BEFORE OCTOBER 1, 2015, THE FOLLOWING LIST OF ICD-9 DIAGNOSIS CODES WILL BE USED.

ICD-9 DIAGNOSIS CODE	ICD-9 DIAGNOSIS DESCRIPTION
038.9	UNSPECIFIED SEPTICEMIA
250.10	DIABETES WITH KETOACIDOSIS, TYPE II OR UNSPECIFIED TYPE, NOT STATED AS UNCONTROLLED
250.11	DIABETES WITH KETOACIDOSIS, TYPE I [JUVENILE TYPE], NOT STATED AS UNCONTROLLED
250.12	DIABETES WITH KETOACIDOSIS, TYPE II OR UNSPECIFIED TYPE, UNCONTROLLED
250.80	DIABETES WITH OTHER SPECIFIED MANIFESTATIONS, TYPE II OR UNSPECIFIED TYPE, NOT STATED AS UNCONTROLLED
250.81	DIABETES WITH OTHER SPECIFIED MANIFESTATIONS, TYPE I [JUVENILE TYPE], NOT STATED AS UNCONTROLLED
250.82	DIABETES WITH OTHER SPECIFIED MANIFESTATIONS, TYPE II OR UNSPECIFIED TYPE, UNCONTROLLED
250.83	DIABETES WITH OTHER SPECIFIED MANIFESTATIONS, TYPE I [JUVENILE TYPE], UNCONTROLLED
276.50	VOLUME DEPLETION, UNSPECIFIED
276.51	DEHYDRATION
276.52	HYPOVOLEMIA
345.90	EPILEPSY, UNSPECIFIED, WITHOUT MENTION OF INTRACTABLE EPILEPSY
401.9	UNSPECIFIED ESSENTIAL HYPERTENSION
414.00	CORONARY ATHEROSCLEROSIS OF UNSPECIFIED TYPE OF VESSEL, NATIVE OR GRAFT
414.01	CORONARY ATHEROSCLEROSIS OF NATIVE CORONARY ARTERY
466.11	ACUTE BRONCHIOLITIS DUE TO RESPIRATORY SYNCYTIAL VIRUS (RSV)
466.19	ACUTE BRONCHIOLITIS DUE TO OTHER INFECTIOUS ORGANISMS

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ICD-9 DIAGNOSIS CODE	ICD-9 DIAGNOSIS DESCRIPTION
486	PNEUMONIA, ORGANISM UNSPECIFIED
491.21	OBSTRUCTIVE CHRONIC BRONCHITIS WITH (ACUTE) EXACERBATION
491.22	OBSTRUCTIVE CHRONIC BRONCHITIS WITH ACUTE BRONCHITIS
493.22	CHRONIC OBSTRUCTIVE ASTHMA WITH (ACUTE) EXACERBATION
493.91	ASTHMA, UNSPECIFIED TYPE, WITH STATUS ASTHMATICUS
493.92	ASTHMA, UNSPECIFIED TYPE, WITH (ACUTE) EXACERBATION
558.9	OTHER AND UNSPECIFIED NONINFECTIOUS GASTROENTERITIS AND COLITIS
577.0	ACUTE PANCREATITIS
682.1	CELLULITIS AND ABSCESS OF NECK
682.2	CELLULITIS AND ABSCESS OF TRUNK
682.3	CELLULITIS AND ABSCESS OF UPPER ARM AND FOREARM
682.4	CELLULITIS AND ABSCESS OF HAND, EXCEPT FINGERS AND THUMB
682.5	CELLULITIS AND ABSCESS OF BUTTOCK
682.6	CELLULITIS AND ABSCESS OF LEG, EXCEPT FOOT
682.7	CELLULITIS AND ABSCESS OF FOOT, EXCEPT TOES
682.8	CELLULITIS AND ABSCESS OF OTHER SPECIFIED SITES
682.9	CELLULITIS AND ABSCESS OF UNSPECIFIED SITES
780.2	SYNCOPE AND COLLAPSE
780.39	OTHER CONVULSIONS
786.50	CHEST PAIN, UNSPECIFIED
786.59	OTHER CHEST PAIN

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FOR OUTPATIENT DATES OF SERVICE AND INPATIENT DATES OF DISCHARGE ON OR AFTER OCTOBER 1, 2015, THE FOLLOWING LIST OF ICD-10 DIAGNOSES WILL BE USED.

ICD-10 DIAGNOSIS CODE	ICD-10 DIAGNOSIS DESCRIPTION
A41.9	SEPSIS, UNSPECIFIED ORGANISM
E10.10	TYPE 1 DIABETES MELLITUS WITH KETOACIDOSIS WITHOUT COMA TYPE 1 DIABETES MELLITUS WITH DIABETIC NEUROPATHIC
E10.610	ARTHROPATHY
E10.621	TYPE 1 DIABETES MELLITUS WITH FOOT ULCER
E10.622	TYPE 1 DIABETES MELLITUS WITH OTHER SKIN ULCER
E10.628	TYPE 1 DIABETES MELLITUS WITH OTHER SKIN COMPLICATIONS
E10.649	TYPE 1 DIABETES MELLITUS WITH HYPOGLYCEMIA WITHOUT COMA
E10.65	TYPE 1 DIABETES MELLITUS WITH HYPERGLYCEMIA
E10.69	TYPE 1 DIABETES MELLITUS WITH OTHER SPECIFIED COMPLICATION
E11.610	TYPE 2 DIABETES MELLITUS WITH DIABETIC NEUROPATHIC ARTHROPATHY
E11.618	TYPE 2 DIABETES MELLITUS WITH OTHER DIABETIC ARTHROPATHY
E11.620	TYPE 2 DIABETES MELLITUS WITH DIABETIC DERMATITIS
E11.621	TYPE 2 DIABETES MELLITUS WITH FOOT ULCER
E11.622	TYPE 2 DIABETES MELLITUS WITH OTHER SKIN ULCER
E11.628	TYPE 2 DIABETES MELLITUS WITH OTHER SKIN COMPLICATIONS
E11.649	TYPE 2 DIABETES MELLITUS WITH HYPOGLYCEMIA WITHOUT COMA
E11.65	TYPE 2 DIABETES MELLITUS WITH HYPERGLYCEMIA
E11.69	TYPE 2 DIABETES MELLITUS WITH OTHER SPECIFIED COMPLICATION
E13.621	OTHER SPECIFIED DIABETES MELLITUS WITH FOOT ULCER
E13.622	OTHER SPECIFIED DIABETES MELLITUS WITH OTHER SKIN ULCER
E13.628	OTHER SPECIFIED DIABETES MELLITUS WITH OTHER SKIN COMPLICATIONS
E13.65	OTHER SPECIFIED DIABETES MELLITUS WITH HYPERGLYCEMIA
E13.69	OTHER SPECIFIED DIABETES MELLITUS WITH OTHER SPECIFIED COMPLICATION
E86.0	DEHYDRATION
E86.1	HYPOVOLEMIA
E86.9	VOLUME DEPLETION, UNSPECIFIED

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ICD-10 DIAGNOSIS CODE	ICD-10 DIAGNOSIS DESCRIPTION
G40.401	OTHER GENERALIZED EPILEPSY AND EPILEPTIC SYNDROMES, NOT INTRACTABLE, WITH STATUS EPILEPTICUS
G40.409	OTHER GENERALIZED EPILEPSY AND EPILEPTIC SYNDROMES, NOT INTRACTABLE, WITHOUT STATUS EPILEPTICUS
G40.901	EPILEPSY, UNSPECIFIED, NOT INTRACTABLE, WITH STATUS EPILEPTICUS
G40.909	EPILEPSY, UNSPECIFIED, NOT INTRACTABLE, WITHOUT STATUS EPILEPTICUS
110	ESSENTIAL (PRIMARY) HYPERTENSION
I25.10	ATHEROSCLEROTIC HEART DISEASE OF NATIVE CORONARY ARTERY WITHOUT ANGINA PECTORIS
I25.110	ATHEROSCLEROTIC HEART DISEASE OF NATIVE CORONARY ARTERY WITH UNSTABLE ANGINA PECTORIS
I25.111	ATHEROSCLEROTIC HEART DISEASE OF NATIVE CORONARY ARTERY WITH ANGINA PECTORIS WITH DOCUMENTED SPASM
I25.118	ATHEROSCLEROTIC HEART DISEASE OF NATIVE CORONARY ARTERY WITH OTHER FORMS OF ANGINA PECTORIS
I25.119	ATHEROSCLEROTIC HEART DISEASE OF NATIVE CORONARY ARTERY WITH UNSPECIFIED ANGINA PECTORIS
J18.8	OTHER PNEUMONIA, UNSPECIFIED ORGANISM
J18.9	PNEUMONIA, UNSPECIFIED ORGANISM
J21.0	ACUTE BRONCHIOLITIS DUE TO RESPIRATORY SYNCYTIAL VIRUS
J21.8	ACUTE BRONCHIOLITIS DUE TO OTHER SPECIFIED ORGANISMS
J21.9	ACUTE BRONCHIOLITIS, UNSPECIFIED
J44.0	CHRONIC OBSTRUCTIVE PULMONARY DISEASE WITH ACUTE LOWER RESPIRATORY INFECTION
J44.1	CHRONIC OBSTRUCTIVE PULMONARY DISEASE WITH (ACUTE) EXACERBATION
J45.901	UNSPECIFIED ASTHMA WITH (ACUTE) EXACERBATION
J45.902	UNSPECIFIED ASTHMA WITH STATUS ASTHMATICUS
K52.89	OTHER SPECIFIED NONINFECTIVE GASTROENTERITIS AND COLITIS
K52.9	NONINFECTIVE GASTROENTERITIS AND COLITIS, UNSPECIFIED
K85.0	IDIOPATHIC ACUTE PANCREATITIS
K85.1	BILIARY ACUTE PANCREATITIS
K85.2	ALCOHOL INDUCED ACUTE PANCREATITIS
K85.3	DRUG INDUCED ACUTE PANCREATITIS

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ICD-10 DIAGNOSIS CODE	ICD-10 DIAGNOSIS DESCRIPTION
K85.8	OTHER ACUTE PANCREATITIS
K85.9	ACUTE PANCREATITIS, UNSPECIFIED
L02.11	CUTANEOUS ABSCESS OF NECK
L02.211	CUTANEOUS ABSCESS OF ABDOMINAL WALL
L02.212	CUTANEOUS ABSCESS OF BACK [ANY PART, EXCEPT BUTTOCK]
L02.213	CUTANEOUS ABSCESS OF CHEST WALL
L02.214	CUTANEOUS ABSCESS OF GROIN
L02.215	CUTANEOUS ABSCESS OF PERINEUM
L02.216	CUTANEOUS ABSCESS OF UMBILICUS
L02.219	CUTANEOUS ABSCESS OF TRUNK, UNSPECIFIED
L02.31	CUTANEOUS ABSCESS OF BUTTOCK
L02.411	CUTANEOUS ABSCESS OF RIGHT AXILLA
L02.412	CUTANEOUS ABSCESS OF LEFT AXILLA
L02.413	CUTANEOUS ABSCESS OF RIGHT UPPER LIMB
L02.414	CUTANEOUS ABSCESS OF LEFT UPPER LIMB
L02.415	CUTANEOUS ABSCESS OF RIGHT LOWER LIMB
L02.416	CUTANEOUS ABSCESS OF LEFT LOWER LIMB
L02.419	CUTANEOUS ABSCESS OF LIMB, UNSPECIFIED
L02.511	CUTANEOUS ABSCESS OF RIGHT HAND
L02.512	CUTANEOUS ABSCESS OF LEFT HAND
L02.519	CUTANEOUS ABSCESS OF UNSPECIFIED HAND
L02.611	CUTANEOUS ABSCESS OF RIGHT FOOT
L02.612	CUTANEOUS ABSCESS OF LEFT FOOT
L02.619	CUTANEOUS ABSCESS OF UNSPECIFIED FOOT
L02.811	CUTANEOUS ABSCESS OF HEAD [ANY PART, EXCEPT FACE]
L02.818	CUTANEOUS ABSCESS OF OTHER SITES
L02.91	CUTANEOUS ABSCESS, UNSPECIFIED
L03.111	CELLULITIS OF RIGHT AXILLA
L03.112	CELLULITIS OF LEFT AXILLA
L03.113	CELLULITIS OF RIGHT UPPER LIMB

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ICD-10 DIAGNOSIS CODE	ICD-10 DIAGNOSIS DESCRIPTION
L03.114	CELLULITIS OF LEFT UPPER LIMB
L03.115	CELLULITIS OF RIGHT LOWER LIMB
L03.116	CELLULITIS OF LEFT LOWER LIMB
L03.119	CELLULITIS OF UNSPECIFIED PART OF LIMB
L03.121	ACUTE LYMPHANGITIS OF RIGHT AXILLA
L03.122	ACUTE LYMPHANGITIS OF LEFT AXILLA
L03.123	ACUTE LYMPHANGITIS OF RIGHT UPPER LIMB
L03.124	ACUTE LYMPHANGITIS OF LEFT UPPER LIMB
L03.125	ACUTE LYMPHANGITIS OF RIGHT LOWER LIMB
L03.126	ACUTE LYMPHANGITIS OF LEFT LOWER LIMB
L03.129	ACUTE LYMPHANGITIS OF UNSPECIFIED PART OF LIMB
L03.221	CELLULITIS OF NECK
L03.222	ACUTE LYMPHANGITIS OF NECK
L03.311	CELLULITIS OF ABDOMINAL WALL
L03.312	CELLULITIS OF BACK [ANY PART EXCEPT BUTTOCK]
L03.313	CELLULITIS OF CHEST WALL
L03.314	CELLULITIS OF GROIN
L03.315	CELLULITIS OF PERINEUM
L03.316	CELLULITIS OF UMBILICUS
L03.317	CELLULITIS OF BUTTOCK .
L03.319	CELLULITIS OF TRUNK, UNSPECIFIED
L03.321	ACUTE LYMPHANGITIS OF ABDOMINAL WALL
L03.322	ACUTE LYMPHANGITIS OF BACK [ANY PART EXCEPT BUTTOCK]
L03.323	ACUTE LYMPHANGITIS OF CHEST WALL
L03.324	ACUTE LYMPHANGITIS OF GROIN
L03.325	ACUTE LYMPHANGITIS OF PERINEUM
L03.326	ACUTE LYMPHANGITIS OF UMBILICUS
L03.327	ACUTE LYMPHANGITIS OF BUTTOCK
L03.329	ACUTE LYMPHANGITIS OF TRUNK, UNSPECIFIED
L03.811	CELLULITIS OF HEAD [ANY PART, EXCEPT FACE]

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ICD-10 DIAGNOSIS CODE	ICD-10 DIAGNOSIS DESCRIPTION
L03.818	CELLULITIS OF OTHER SITES
L03.891	ACUTE LYMPHANGITIS OF HEAD [ANY PART, EXCEPT FACE]
L03.898	ACUTE LYMPHANGITIS OF OTHER SITES
L03.90	CELLULITIS, UNSPECIFIED
R07.89	OTHER CHEST PAIN
R07.9	CHEST PAIN, UNSPECIFIED
R55	SYNCOPE AND COLLAPSE
R56.9	UNSPECIFIED CONVULSIONS

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