MSA MEDICAL SERVICES ADMINISTRATION

Bulletin

Michigan Department of Health and Human Services

Bulletin Number: MSA 16-43

Distribution: Hospitals, Medicaid Health Plans, Practitioners

Issued: December 1, 2016

Subject: Policy Clarification for Long-Term Acute Care Hospitals (LTACHs)

Effective: As Indicated

Programs Affected: Medicaid, Healthy Michigan Plan

The purpose of this policy is to clarify Medicaid admission/transfer requirements for Long-Term Acute Care Hospitals (LTACHs). Historically, all Medicaid acute care inpatient hospital policies, including admission/transfer and reimbursement requirements, also applied to LTACHs.

On September 1, 2015, the Michigan Department of Health and Human Services (MDHHS) issued bulletin MSA 15-30, effective October 1, 2015, which describes the development of statewide per diem rates for LTACHs. Since the release of MSA 15-30, MDHHS has received questions regarding the requirements for admission or transfer to an LTACH.

LTACHs are certified as acute care hospitals, but focus on patients who, on average, stay more than 25 days. Many of the patients in LTACHs are transferred there from an intensive or critical care unit. LTACHs specialize in treating patients who may have more than one serious condition, but who may improve with time and care, and return home. LTACHs generally provide services like respiratory therapy, head trauma treatment, and pain management.

All inpatient admissions, including admissions to an LTACH, must be medically necessary and appropriate, and all services must relate to a specific diagnosed condition. Elective admissions, readmissions within 15 days of discharge, and transfers for surgical and medical inpatient hospital services must be authorized through the Admission and Certification Review Contractor (ACRC). The ACRC performs admission, readmission, and transfer reviews through the Prior Authorization Certification Evaluation Review (PACER) system and assigns PACER numbers. Prior authorization is not required for beneficiaries who are dually eligible for Medicare and Medicaid.

Effective October 1, 2015 and after, any beneficiary that moves from an acute care hospital to an LTACH is considered a hospital discharge and LTACH admission, which requires a PACER number. A complete LTACH claim includes the PACER number in the treatment authorization field of the claim and Occurrence Span Code 71 with "from" and "through" dates from the previous admission as stated in the Medicaid Provider Manual, Billing and Reimbursement for Institutional Providers, Special Circumstances for Hospital Readmissions and Transfers, Readmission within 15 days to a Different Hospital. The Medicaid Provider Manual can be accessed on the Michigan Department of Health and Human Services (MDHHS) website at www.michigan.gov/medicaidproviders >> Policy and Forms >> Medicaid Provider Manual. **Providers must request, by February 1, 2017, a retroactive PACER number from the ACRC for the historic LTACH admission dates on or after October 1, 2015.**

Prior Authorization and Billing information for Medicaid beneficiaries enrolled in a Medicaid Health Plan (MHP) must be obtained through the MHP.

The acute care hospital is responsible for obtaining the PACER number before discharging the beneficiary to an LTACH. When conducting the review, the ACRC will use InterQual LTACH level of care criteria for determining whether an LTACH admission meets medical criteria. Prior authorizations for the initial admission to the LTACH may be obtained for no more than 30 days. Subsequent prior authorization and continued stay approvals must be obtained by the LTACH. Additional information for obtaining a PACER number is available in the General Information for Providers chapter of the Michigan Medicaid Provider Manual.

Emergency room or outpatient services, if needed for a beneficiary in an LTACH, are considered ancillary services and do not require PACER numbers. If the beneficiary is admitted back to an acute care hospital, PACER requirements for an inpatient admission will be in effect.

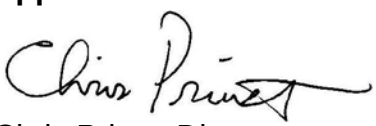
Manual Maintenance

Retain this bulletin until the information is incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, 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



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