Claims paid Per Diem Rates

*all red text is new for 4/8/2015

For inpatient admissions prior to April 1, 2015 and after January 1, 2015, claims for inpatient acute care hospitals are assigned a DRG and are reimbursed based on that DRG. There are some exceptions to this reimbursement policy. Due to the unique nature of behavioral health and rehabilitation claims, the DRG is assigned but is not used for reimbursement. These claims are reimbursed a specific per diem rate.

The claim DRG assignment of 740-776 is used to identify Behavioral Health claims. If the claim is assigned a DRG within this range during processing the claim is priced using the behavioral health per diem rate. Additionally, child behavioral health claims are priced using the discharge delayed per diem when appropriate.

Rehabilitation admissions are inpatient admissions where the primary services are rehabilitative in nature and can be identified by DRG value of 860. If the claim is assigned a DRG of 8601-8604 during claims processing, the claim is priced using the hospital's rehabilitation per diem.

Effective for admissions on or after April 1, 2015, inpatient services will no longer be reimbursed a per diem rate based exclusively on the DRG assignment. Rehabilitation or behavioral health claims, to pay at the per diem rate, will need a Prior Authorization (PA) reflecting a per diem PA on file. If the hospital does not obtain a per diem PA at the time of service, the claim will pay based on the DRG assignment.

Claims paid Per Diem Rates FAQ

- 1. Are there any impacts to getting Prior Authorization (PA) for admissions April 1, 2015 and forward?
 - A. Effective for admissions April 1, 2015 and forward, a per-diem PA will be required to be eligible for the per diem rate. Rehabilitation or behavioral health claims, currently paid at the per diem rate, will need PA reflecting a per diem on file. A per diem PA for behavioral health services must be requested from Connecticut Behavioral Health Partnership (CT BHP) and acute rehabilitation per diem services must be requested from CHNCT. If the hospital does not obtain a per-diem PA at the time of service, the claim will pay based on the DRG assignment.
 - B. Please refer to the Provider Bulletin 2015-22 located on our Web site <u>www.ctdssmap.com</u> and from the Hospital Modernization Page, click on "Provider Bulletins and Policy Transmittals" link on the right hand side under Helpful Information & Publications.
- 2. What is meant by a Per-Diem PA?
 - A. A per-diem PA reflects either an authorization through the Connecticut Behavioral Health Partnership (CT BHP) for inpatient behavioral health

services or through Community Health Network of Connecticut (CHNCT) for acute rehabilitation to be eligible for the behavioral health or the rehabilitation per diem rate.

- 3. How will claims price if the hospital fails to obtain a per-diem PA?
 - A. Effective for admissions April 1, 2015 and forward, if the per-diem PA is not obtained within the scheduled time frame allowed by the Department of Social Services (DSS), the inpatient claim will be reimbursed based exclusively on the DRG assignment.
- 4. What is the process to obtain a PA for a patient when the primary reason for the inpatient stay changes from <u>medical to behavioral health</u> or the client transfers from the medical floor to a behavioral health floor and the hospitals wishes to get paid at a per diem rate for the behavioral health days for admissions on April 1, 2015 and forward?
 - A. Effective for admissions April 1, 2015 and forward, if a client received a medical authorization upon admission from CHNCT, requires further inpatient behavioral health treatment, the hospital must administratively discharge the client from medical and re-admit the client for behavioral health to qualify for the per diem rate. A per-diem PA for behavioral health services must be requested from CT BHP. The behavioral health claim will be reimbursed via the behavioral health per diem rate and the medical claim will be reimbursed via DRG payment methodology.
- 5. What is the process to obtain a PA for a client when the primary reason for the inpatient stay changes from <u>behavioral health to medical</u> or the client transfers from the behavioral health floor to the medical floor for admissions April 1, 2015 and forward?
 - A. Effective for admissions April 1, 2015 and forward, if a client received a behavioral health authorization upon admission from CT BHP, requires further inpatient medical treatment, the hospital must administratively discharge the client from the behavioral health floor and re-admit the client for medical evaluation. The hospital must obtain a medical PA from CHNCT for that readmission.
- 6. What is the process to obtain a PA for a patient when the primary reason for the stay changes from <u>medical to rehabilitation</u> or the client transfers from the medical floor to a rehabilitation floor for admissions April 1, 2015 and forward?
 - A. Effective for admissions April 1, 2015 and forward if a client, who received a medical authorization upon admission from CHNCT, requires further inpatient rehabilitation, the hospital must administratively discharge the client from medical and re-admit the client for rehabilitation to process at the per diem rate. A per-diem PA for rehabilitation services must be requested from CHNCT.

- 7. If the hospital fails to obtain a second PA for admissions that transfer from behavioral health to medical, should the hospital still administratively discharge the client from behavioral health and re-admit the client for medical services?
 - A. When a client is admitted for a behavioral health condition, but on further evaluation requires admission for medical services, the hospital must administratively discharge the client from behavioral health and readmit the client for medical services and obtain a medical PA through CHNCT for that readmission. The medical claim will be reimbursed via DRG payment methodology. If the hospital does not obtain a medical PA through CHNCT in the time frame allowed by DSS, the medical claim will be denied.
- 8. Are border and out of state hospitals required to obtain a per-diem PA for admissions on April 1, 2015 and forward?
 - A. Yes. Border and out of state hospitals are required to obtain a per-diem PA from the CT BHP for inpatient behavioral health services or CHNCT for inpatient medical or rehabilitation services within the time frame allowed by DSS to process at the border / out of state per diem rate.