

Billing Instructions for Acute Inpatient Hospitals

IN-STATE AND OUT-OF-STATE ACUTE INPATIENT HOSPITALS — CLAIMS ADJUSTMENTS AND ADDITIONAL BILLING INSTRUCTIONS FOR HOSPITAL STAYS THAT SPAN 10/1/14 AND EXCEED 20 DAYS

For admissions occurring on or after October 1, 2014, acute inpatient hospitals are paid using the new Federal Fiscal Year 2015 (FFY15ⁱ) Adjudicated Payment Amount per Discharge (APAD) methodology and, for qualifying discharges as applicable, the FFY15 Outlier Payment methodology. These have replaced the Standard Payment Amount per Discharge (SPAD) and outlier per diem methodologies.ⁱⁱ The following provides clarification on claims adjustments and billing instructions for relevant admissionsⁱⁱⁱ that occurred before October 1, 2014, and extended beyond October 1, 2014.

Admissions before October 1, 2014, with a length of stay (LOS) less than or equal to 20 acute days are straightforward; they are generally paid the hospital's Federal Fiscal Year 2014 (FFY14) SPAD, not the hospital's FFY15 APAD. Hospitals need only submit one claim.

Admissions before October 1, 2014, with a LOS greater than 20 acute days, however, warrant special instructions, depending on:

- when day 21 occurs, and
- whether the member's age on the claim's first date of service was 21 years or older (adult) or younger than 21 years (pediatric). Instructions are as follows.

1. Pediatric Admissions (younger than 21 on the claim's first date of service)

a. Admission before October 1, 2014, LOS greater than 20 acute days, and day 21 occurring on or after October 1, 2014:

Split the bill into two claims.

- The 1st claim (TOB 112) is for the first 20 days, which is paid the hospital's FFY14 SPAD.^{iv}
- The 2nd claim (TOB 114^v) is for all acute days from day 21 until the date of discharge. This should be paid at the hospital's FFY14 outlier per diem rate, but MMIS is instead paying the 2nd claim at the hospital's FFY15 APAD. MassHealth will void and correctly pay this claim.

b. Admission before October 1, 2014, LOS greater than 20 acute days, and day 21 occurring before October 1, 2014:
Split the bill into two claims.

- The 1st claim (TOB 112) is for the first 20 days, which is paid at the hospital's FFY14 SPAD.
- The 2nd claim (TOB 114^v) is for all acute days from day 21 until the date of discharge, regardless of whether such days are before, on, or after October 1, 2014; these are paid at the hospital's FFY14 outlier per diem rate. MMIS is paying accordingly, so no needed adjustments have been identified thus far.

Billing instructions 1.a and 1.b do not apply to Pediatric Inpatient Part A Crossover claims. For Pediatric Inpatient Part A Crossover claims with an admission date before October 1, 2014, and with LOS *greater than 20 acute days*, FFY14 SPAD and outlier per diem rates will be applied and claims will be re-priced accordingly.

2. Adult Admissions (age 21 or older on the claim's first date of service)

a. Admission before October 1, 2014, LOS greater than 20 acute days, and day 21 occurring on or after October 1, 2014:

Split the bill into two claims.

- The 1st claim (TOB 112) is for the first 20 days, which is paid at the hospital's FFY14 SPAD.
- The 2nd claim (TOB 114^v) is for all acute days from day 21 until the date of discharge. This should be paid at the hospital's FFY14 outlier per diem rate, but MMIS is instead paying the 2nd claim at the Hospital's FFY15 APAD. MassHealth will void and correctly pay this claim.

Billing instruction 2.a does not apply to Adult Inpatient Part A Crossover claims. For Adult Inpatient Part A Crossover claims with an admission date before October 1, 2014, LOS *greater than* 20 acute days, and day 21 occurring on or after October 1, 2014, FFY14 SPAD and outlier per diem rates will be applied and claims will be re-priced accordingly.

b. Admission before October 1, 2014, LOS greater than 20 acute days, and day 21 occurring before October 1, 2014: For **in-state acute hospitals**, split the bill into three claims, following the 3 bullets, below. For **out-of-state acute hospitals**, split the bill into two claims following the 1st and 3rd bullets, below (skip the 2nd bullet, as out-of-state acute hospitals do not qualify as Health Safety Net providers and are therefore not eligible for payments from the Health Safety Net).

- Submit a claim to MassHealth for the first 20 days (TOB 112), which will be paid the hospital's FFY14 SPAD.
- For in-state acute hospitals only -- after receiving payment from MassHealth for the claim noted above, Health Safety Net providers (Massachusetts acute care hospitals) may submit a claim to the Health Safety Net (HSN) with TOB 113 for day 21 and onward, through 9/30/14. In accordance with HSN outlier day billing rules, the claim must be billed as a secondary claim with MassHealth as the primary payer, and must include the following.
 - The payment amount received from MassHealth
 - The date range of the entire inpatient stay as the "From" and "Through" dates of service
 - Occurrence Code 47 with the HSN start date (day 21 of the stay).

The HSN will only pay from day 21 through 9/30/14.

- Submit another claim (TOB 114^v) to MassHealth for all acute days of the stay **beyond day 20 that occur beginning October 1, 2014, through discharge**. This should be paid at the hospital's FFY14 outlier per diem rate, but MMIS is instead paying this claim at the hospital's FFY15 APAD. MassHealth will void and correctly pay this claim.

For Inpatient Part A Crossover claims with admission dates before October 1, 2014, LOS greater than 20 acute days, and day 21 occurring before October 1, 2014 (see billing instruction 2.b), FFY14 SPAD and outlier per diem rates will be applied with the exception of day 21 through 9/30/14 for non-QMB members. HSN providers should follow the HSN outlier day billing rules for these claims when applicable.

If the hospital has already submitted a MassHealth claim inconsistent with the instructions above, it is not necessary to void, replace, or otherwise change the claim; Mass Health will identify, void, and correctly pay these claims. Hospitals submitting new claims must follow the instructions above.

NOTES:

ⁱ In-state acute hospitals should note that FFYs 2014 and 2015 are equivalent to Rate Years (RY) 2014 and 2015 respectively.

ⁱⁱ In-state acute hospitals should refer to their Acute Hospital RFA and Contract, including Section 5.H. of their RY15 Acute Hospital RFA and Contract with EOHHS for a complete description of how payment is made for members admitted before 10/1/14 who remain in the hospital on the effective date of their RY15 Acute Hospital RFA and Contract, including with respect to claims for which other payment methods, such as the Transfer Per Diem method, apply.

Out-of-state acute hospital payment methods are set forth in MassHealth Administrative and Billing Regulations at 130 CMR 450.233(D). See also relevant Special Notices for Acute Hospitals at www.mass.gov/eohhs/gov/laws-regs/masshealth. For out-of-state acute hospitals, the FFY15 APAD and outlier payments are referred to as Out-of-State APAD and Out-of-State Outlier Payments respectively.

ⁱⁱⁱ In certain circumstances, as described in regulations for out-of-state acute hospitals and/or the RFA and Contract for in-state acute hospitals, transfer payments or other per-diem payments apply in place of the SPAD or APAD.

^{iv} "TOB" means "Type of Bill."

^v If the admission has a very long length of stay and the hospital has elected to interim bill, the dates of services for this TOB 114 would instead be divided into one or more TOB 113 followed by one TOB 114.