

Facility NETWORK REIMBURSEMENT POLICY

POLICY TITLE	Avoidable Inpatient Readmissions
POLICY NUMBER	FR-02.001

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I. DESCRIPTION/BACKGROUND

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The intent of this policy is to enhance quality of care outcomes for our members and to hold the member and payor/employer financially harmless for avoidable and/or related Readmissions. Peer reviewed literature demonstrates Readmissions may be avoided if certain standards of care are delivered prior to, during, and after the patient’s discharge.

This policy documents Capital’s reimbursement methodology for Acute Inpatient Hospital Readmissions that occur within five (5) calendar days of discharge from the same Inpatient Acute Hospital as a previous admission.

II. DEFINITIONS

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Capital- Capital BlueCross, an independent licensee of the BCBSA. Includes the applicable affiliates and designees.

Readmission – admission to a hospital after a previous hospital stay. For the purposes of this policy, it includes only Readmissions to the same Inpatient Acute Hospital (defined as one having the same National Provider Identifier) as the previous Inpatient Acute Hospital stay.

Inpatient Acute Hospital – setting where patients receive short-term medical treatment for illnesses, injury, or surgery. For purposes of this policy, it does not include distinct units within a hospital such as psychiatric/substance abuse, rehabilitation, or subacute.

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Readmission to the same Inpatient Acute Hospital within five (5) days of discharge from the previous Inpatient Acute Hospital stay is not eligible for separate reimbursement.

If, within five (5) days of discharge from an Inpatient Acute Hospital stay, a member is readmitted, for any reason, to the same Inpatient Acute Hospital, all inpatient facility charges for the Readmission will be administratively denied. This denial will occur upon claims submission for Readmission claims with an admission date on or after January 1, 2018. This reimbursement policy does not preclude the requirements under Capital BlueCross' Utilization Management program. The Inpatient Acute Hospital may not bill the member for the denied services and must return any member payments (e.g. co-payments) related to the denied services to the member. Each Readmission to the Inpatient Acute Hospital, whether paid or denied, will be evaluated against the five (5) day Readmission criteria if a subsequent Inpatient Acute Hospital stay occurs.

Upon receipt of notification that the Readmission is denied, the provider may submit an administrative appeal with all required documentation included, as set forth in the provider manual. The administrative appeal must include the following and substantiate that the Readmission was not related and/or avoidable or preventable:

- Appeal letter that outlines sufficient evidence demonstrating that no additional interventions could have prevented the readmission.
- Medical Records from both admissions (i.e. initial admission and readmission record) which may include:
 - Admission and discharge summaries (from the initial admission and Readmission)
 - Emergency room records (if applicable)
 - Physician's orders
 - Physician's daily progress notes
 - Nurse's notes
 - Laboratory and diagnostic testing/results
 - Case management notes (including member instructions, scheduled follow up appointments, etc.)
- Discharge planning documentation, if not included in medical record.
- Post-discharge follow-up
- Transitions of care

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If the administrative appeal letter and supporting documentation substantiates the Readmission could not be prevented or avoided, the Readmission denial will be overturned and the claim will be processed following all other guidelines, procedures, and benefit determinations. It is the Inpatient Acute Facilities responsibility to substantiate that the Readmission was not related and/or avoidable or preventable and that sufficient evidence supports this attestation. No more than one (1) administrative appeal will be granted for each denial. Failure to submit both admission records (i.e. initial admission and readmission) will result in an immediate uphold of the denial.

IV. EXCLUSIONS

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The following Readmissions will not be considered avoidable and/or in scope, thus, will not be denied under this policy:

- Reason for initial discharge is against medical advice (Discharge Status Code 07)
- Readmissions that occur more than 5 days after the initial inpatient discharge date
- Readmissions to facilities other than Inpatient Acute Hospitals
- Scheduled planned admissions (e.g. scheduled chemotherapy, elective surgical admissions)
- Readmissions for patients 0 – 1 year of age.

V. VARIATIONS

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This policy is applicable to all programs and products administered by Capital unless otherwise indicated below.

- Medicare Supplement Plans
- FEP
- BlueCard Home

VI. BILLING GUIDANCE

Capital BlueCross will follow guidance set forth in the *Medicare Claims Processing Manual Chapter 3 Inpatient Hospital Billing Section 40.2.5 Repeat Admissions* for when a repeat admission is expected and the patient does not require a hospital level of care during the interim period. Institutional providers must not use the leave of absence billing procedure when the second admission is unexpected. In addition, Capital BlueCross may request

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medical records from Providers and be subject to review for compliance with applicable billing practice and guidelines as set forth in the *Medicare Claims Processing Manual*. Providers should be aware the guidelines in Section 40.2.5 further states that services rendered by other entities during a combined stay must be paid by the acute care hospital. Capital BlueCross may request documentation of a hospital’s leave of absence policy.

VII. REFERENCES

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Centers for Medicare & Medicaid Services (CMS). *Medicare Claims Processing Manual*. Chapter 3: Inpatient Hospital Billing.

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Measures of Care Coordination: Transitions of Care. Content last reviewed May 2015. Agency for Healthcare Research and Quality, Rockville, MD. Retrieved from: <http://www.ahrq.gov/research/findings/nhqdr/2014chartbooks/carecoordination/carecoord-measures1.html>

Preventing Avoidable Readmission. Content last reviewed February 2017. Agency for Healthcare Research and Quality, Rockville, MD. Retrieved from: <http://www.ahrq.gov/professionals/quality-patient-safety/patient-safety-resources/resources/impptdis/index.html>

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