Reimbursement Policy

Subject: **Inpatient Readmissions**	
Policy Number: **G-13001**	Policy Section: **Facilities**
Last Approval Date: **09/24/21**	Effective Date: **07/01/22**

Visit our provider website for the most current version of our reimbursement policies. If you are using a printed version of this policy, please verify the information by going to https://provider.simplyhealthcareplans.com.

Disclaimer

These policies serve as a guide to assist you in accurate claims submissions and to outline the basis for reimbursement by Simply Healthcare Plans, Inc. (Simply) Medicare Advantage if the service is covered by a member's benefit plan. The determination that a service, procedure, item, etc. is covered under a member's benefit plan is not a determination that you will be reimbursed. Services must meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis as well as to the member's state of residence. You must follow proper billing and submission guidelines. You are required to use industry standard, compliant codes on all claim submissions. Services should be billed with CPT® codes, HCPCS codes, and/or revenue codes. The codes denote the services and/or procedures performed. The billed code(s) are required to be fully supported in the medical record and/or office notes. Unless otherwise noted within the policy, our policies apply to participating providers and facilities; a noncontracting provider who accepts Medicare assignment will be reimbursed for services according to the original Medicare reimbursement rates.

If appropriate coding/billing guidelines or current reimbursement policies are not followed, Simply Medicare Advantage may:

- Reject or deny the claim.
- Recover and/or recoup claim payment.
- Adjust the reimbursement to reflect the appropriate services and/or procedures performed.

Simply Medicare Advantage reimbursement policies are developed based on nationally accepted industry standards and coding principles. These policies may be superseded by mandates in provider, state, federal, or CMS contracts and/or requirements. System logic or set up may prevent the loading of policies into the claims platforms in the same manner as described; however, Simply Medicare Advantage strives to minimize these variations.

Simply Medicare Advantage reserves the right to review and revise our policies periodically when necessary. When there is an update, we will publish the most current policy to our provider website.

SFLCRRP-0113-21 February 2022

Policy

Simply Medicare Advantage does not allow separate reimbursement for claims that have been identified as a readmission to the same hospital for the same, similar, or related condition unless provider, federal, or CMS contracts and/or requirements indicate otherwise. Simply Medicare Advantage uses the following standards:

- Readmission up to 30 days from discharge
- Same or related condition

Simply Medicare Advantage will utilize clinical criteria and/or licensed clinical medical review to determine if the second admission is for:

- The same or closely related condition or procedure as the prior discharge.
- An infection or other complication of care.
- A condition or procedure indicative of a failed surgical intervention.
- An acute decompensation of a coexisting chronic disease.
- A need that could have reasonably been prevented by the provision of appropriate care consistent with accepted standards in the prior discharge or during the post-discharge follow-up period.
- An issue caused by a premature discharge from the same facility.

Planned Readmission/Leave of Absence

When a member is readmitted within 30 days as part of a planned readmission and/or placed on a leave of absence, the admissions are considered to be one admission, and only one diagnosis-related group (DRG) will be reimbursed.

Providers are to submit one bill for covered days and days of leave when the patient is ultimately discharged.

Readmissions occurring within 30 days for symptoms related to, or for evaluation and management of, the prior stay's medical condition are considered part of the original admission. Simply Medicare Advantage considers a readmission to the same hospital for the same, similar, or related condition on the same date of service to be a continuation of initial treatment. Simply Medicare Advantage defines same day as services rendered within a 24-hour period (from time of discharge to time of readmission) for participating providers.

Simply Medicare Advantage reserves the right to recoup and/or recover monies previously paid on a claim that falls within the guidelines of a readmission for a same, similar, or related condition as defined above.

Exclusions:

- Admissions for the medical treatment of:
    - Cancer
    - Neonatal/Newborn
    - Obstetrical deliveries
    - Behavioral Health
    - Rehabilitation care
    - Sickle Cell Anemia

  - Transplants
- Patient transfers from one acute care hospital to another
- Patient discharged from the hospital against medical advice

This policy only affects those facilities reimbursed for inpatient services by a DRG methodology.

Related Coding

Standard Correct Coding Applies

Policy History

09/24/21	Biennial review approved and effective 07/01/22: Policy language updated: planned readmission/LOA language added; definition section updated to include LOA and planned readmission; related policy section updated
01/01/21	Initial review approved and effective

References and Research Materials

This policy has been developed through consideration of the following:

- CMS
- State contract
- American Hospital Association

Definitions

Leave of Absence	Interim period when readmission is expected, and the patient does not require a hospital level of care
Planned Readmission	Non-acute readmission for a scheduled procedure
Same Hospital System	Two or more hospitals owned, leased, sponsored, or contract managed by a central organization
General Reimbursement Policy Definitions	

Related Policies and Materials

Diagnoses used in DRG Computation
Documentation Standards for Episodes of Care
Preventable Adverse Events