



Ohio medicaid QUALITY MONITOR

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Medical Operations Section Now Handling Administrative Appeals

There has been a change in the Ohio Medicaid Utilization Review Program. Previously, the ODJFS Surveillance and Utilization Review Section (SURS) handled requests for administrative appeals on a denial issued by Permedion. However, this responsibility is now being handled by the Medical Operations Section (MOS).

In addition to handling administrative appeals for Ohio Medicaid, MOS ensures that all Medicaid services requiring prior authorization are medically necessary, appropriate and when necessary, evaluates and prices prior authorization requests for medical, transportation, durable medical equipment, organ transplantation, supplies, dental and vision services.

Please be sure to address any questions or correspondence regarding administrative appeals for retrospective reviews or precertification compliance to MOS. Please use the following contact information:

**The Ohio Department of Job and Family Services
Medical Operations Section
Attn - Hospital Retro Review Unit
30 E. Broad Street, 31st Floor
Columbus, OH 43215
614-466-9689**

Please see the article on Page 3 entitled "Permedion Welcomes UR Manager Maureen Riley" to obtain additional contact information for the Ohio Medicaid Utilization Review Program.

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Hospital Peer Group Patterns

Hospitals will soon be receiving their annual Pattern Analysis Monitor Report. Permedion sends this report to each hospital that submitted a Medicaid claim to the Ohio Department of Job and Family Services (ODJFS) during the year. Comparative statistics for each hospital, the hospital's peer group, and statewide analysis of seven indicators are included in the report. Each report covers the hospital's data for three state fiscal years (SFYs) and provides a three-year comparison.

The current report covers SFYs 2002, 2003, and 2004. *Figures 1-7* detail the Peer Group rate for each indicator. Outliers noted by an asterisk (*) indicate a rank three standard deviations above the statewide percentage. Outliers noted by a pound sign (#) indicate a rank three standard deviations below the statewide percentage.

Statewide, there were very few cases of readmissions to the same provider for any DRG within 0-1 day (see *Figure 1*). The percentage of cases with readmissions to the same provider for any DRG within 2-7 days was stable across the three SFYs (see *Figure 2*).

The number of admissions due to complications has increased slightly over the three-year report period (see *Figure 3*).

The transfer out indicator, displayed in *Figure 4*, represents the percent of cases coded as transfers to other hospitals.

Peer Group	2002 %	2003 %	2004 %
Children's Hospitals	0.04#	0.03#	0.07#
Major Teaching Hospital	0.17*	0.20*	0.30
Other, Hospital	0.13	0.15	0.22
Rural Hospital	0.14	0.11	0.10#
Overall	0.13	0.14	0.20

Figure 1. 0-1 Day Readmissions

Peer Group	2002 %	2003 %	2004 %
Children's Hospitals	3.98	4.28*	4.44*
Major Teaching Hospital	5.37*	5.15*	5.57*
Other, Hospital	3.72	3.97	3.87#
Rural Hospital	2.83#	3.07	3.04#
Overall	3.89	4.06	4.10

Figure 2. 2-7 Day Readmissions

Peer Group	2002 %	2003 %	2004 %
Children's Hospitals	3.34*	4.06*	3.68*
Major Teaching Hospital	5.37*	5.86*	6.12*
Other, Hospital	2.88#	3.01#	3.15#
Rural Hospital	1.73#	1.85#	1.81#
Overall	3.17	3.40	3.50

Figure 3. Admissions Due to Complications

Pattern analysis continued from p. 1

Peer Group	2002 %	2003 %	2004 %
Children's Hospitals	1.77#	1.19#	1.05#
Major Teaching Hospital	1.88#	1.59#	1.09#
Other, Hospital	3.87*	4.05*	4.65*
Rural Hospital	6.85*	7.18*	7.40*
Overall	3.68	3.77	4.05

Figure 4. Transfer Out

The statewide percentage of cases coded as transfers to other hospitals was relatively consistent across the three-year reporting period.

The transfer billing indicator (see Figure 5) represents the percent of cases that are potentially transfer billing errors and

Peer Group	2002 %	2003 %	2004 %
Children's Hospitals	0.40#	1.00#	1.25
Major Teaching Hospital	1.51*	2.29*	2.06*
Other, Hospital	0.94	1.15	1.00#
Rural Hospital	0.68#	0.51#	0.67#
Overall	0.94	1.22	1.15

Figure 5. Transfer Billing

identifies cases that may have either the admit source or the patient disposition coded incorrectly. In each of the three years, the Major Teaching Hospital peer group was above the statewide percentage; the Rural Hospital peer group was consistently below.

The statewide percentage of day and/or cost outliers (based on DRG) appears to be rapidly increasing, from 7.06% in 2002 to 10.2% in 2004. See Figure 6.

The significantly short length of stay indicator represents the proportion of cases that are short with respect to the DRG lower trim point and/or to primary diagnosis. See Figure 7.

Peer Group	2002 %	2003 %	2004 %
Children's Hospitals	8.40*	10.68*	11.82*
Major Teaching Hospital	9.06*	10.72*	11.94*
Other, Hospital	7.12	8.99*	10.87*
Rural Hospital	3.11#	3.13#	3.64#
Overall	7.06	8.68	10.20

Figure 6. Outliers

These comparison statistics enable hospitals to recognize good performance and potential problems. Hospitals can use this information to develop benchmarks to improve performance monitoring and service to Medicaid consumers.

Peer Group	2002 %	2003 %	2004 %
Children's Hospitals	2.26#	1.48#	2.62*
Major Teaching Hospital	2.46	1.87	1.88
Other, Hospital	2.40	1.73	1.79#
Rural Hospital	3.06*	2.11*	2.40*
Overall	2.48	1.77	1.98

Figure 7. Significantly Short Lengths of Stay

CODING CORNER

Occlusion of Arteries

In this issue of the Coding Corner, we provide information from the ICD-9-CM Diagnosis Coding Advisor and the Coder's Desk Reference for ICD-9-CM on the identification and coding of occlusion of arteries.

Cerebral Artery: Occlusion of cerebral arteries is classified with a code from Category 434. Review the medical record for information identifying if the occlusion is due to thrombosis (434.0x) or embolism (434.1x). If unspecified, use code (434.9X). A fifth digit is required with Category 434 to identify if the event occurred with or without a cerebral infarction during the admission.

Precerebral Arteries: Category 433 includes stenosis and occlusion of the

precerebral arteries. The category includes embolism, narrowing, obstruction and thrombosis of basilar carotid, vertebral and other precerebral arteries.

Coronary Artery: Occlusion of coronary arteries is classified with a code from Category 410 (acute myocardial infarction). Carefully review the medical record for information identifying the site of the occlusion/infarction for the specific code assignment. A fifth digit is required to identify the specific episode of care, whether it is the initial or subsequent.

Peripheral Artery: Occlusive peripheral vascular disease may be classified as one of the following:

- acute, due to thrombus or

embolism (444.21-444.22)

- chronic, generally caused by atherosclerosis progression (440.2)
- caused by a stricture (447.1)

If the condition does not identify a thrombus or embolism and is not defined as acute, it is coded to the presumed etiology included in the related statement, for example:

- thromboangiitis obliterans (Buerger's disease), use code 443.1
- obliteration of artery due to chronic trauma, use code 447.1
- arteriosclerosis (occlusive) of extremities, use code 440.2
- arterial occlusive disease NOS, use code 447.1

Coding corner continued on p. 4

Permedion Welcomes UR Manager Maureen Riley

Permedion welcomes Maureen Riley to the position of Utilization Review Service Line Manager. She replaces Phyllis Alder who held the position for over five years and who remains as a Contingent Nurse Reviewer. Maureen joined Permedion three years ago working with various aspects of utilization review including a Kentucky Home Health Prior Authorization project. She also worked in the Ohio Medicaid Precertification Center as a Utilization Nurse Reviewer. Maureen was instrumental in the implementation of Permedion's new precertification program for the Ohio Department of Rehabilitation and Correction, which began in September 2004. Permedion currently precertifies outpatient diagnostic procedures for 29 of the state's correctional facilities.

Maureen has had a diverse nursing career spanning over 30 years, following her graduation with a BSN from D'Youville College in Buffalo, NY. She has clinical expertise in Medical-Surgical Nursing, Home Care, and Nursing Education in addition to her utilization review skills. This has provided a valuable health care perspective and provides her with the ability to manage and direct Permedion's utilization review programs.

Questions about the Ohio Medicaid Utilization Review Program should be directed to Maureen's attention. Additionally, please make sure all written correspondence related to the Ohio Medicaid Utilization Review Program is directed to Maureen instead of Phyllis. This will ensure timely delivery of all correspondence.

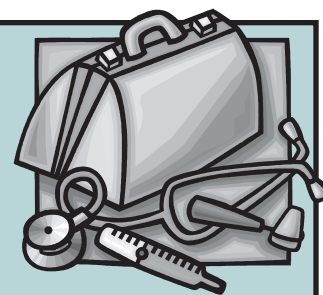
As a reminder of the various aspects of the Ohio Medicaid Utilization Review Program, please use the following table as a guide to directing your calls or mailing correspondence.

Contact	Address	Phone/Fax	When to Contact?
Permedion Attn - Maureen Riley	350 Worthington Rd, Ste H Westerville, OH 43082	614-895-9900, Ext. 3430/ 614-895-6784	<ul style="list-style-type: none"> ▪ Receives copies of medical records following issuance of a Medical Record Request to a hospital provider. ▪ Change your hospital contacts. ▪ Questions about the Ohio Medicaid Utilization Review Program. ▪ Questions about a denial letter. ▪ Appealing a medical necessity or quality denial.
Permedion Attn - Precertification Department	350 Worthington Rd, Ste H Westerville, OH 43082	1-800-772-2179/ 1-800-591-1819	<ul style="list-style-type: none"> ▪ Requests for precertification of specific elective surgical procedures.
ODJFS Attn - Medicaid Claims Processing Section	PO Box 2645 Columbus, OH 43216	1-800-686-1516	<ul style="list-style-type: none"> ▪ Questions concerning claims with a date of service less than one year old. ▪ Questions regarding general billing procedures.
ODJFS Medical Operations Section Attn - Hospital Retro-Review Unit	30 E. Broad St, 31st Flr Columbus, OH 43215	614-466-9689	<ul style="list-style-type: none"> ▪ Questions regarding rebilling as an observation stay following an inpatient denial. ▪ Questions regarding administrative appeals for billing errors, readmissions, and precertification compliance.

For additional information regarding the Ohio Medicaid Precertification Program, visit www.permedion.com. For more information about the Ohio

UR manager continued on p. 4

Medical Director dialogue



by T.J. Redington, MD

Ohio Department of Job and Family Services

In this issue of the *Quality Monitor*, you have received many interesting hospital statistics based on Medicaid claims data. Now I would like to provide more statistics but this time based on Medicaid programs. These statistics, from 2003 data, have been published within the last year in the ODJFS Annual Report.

Ohio Medicaid and Medicaid-related programs offer health coverage to more than 1.75 million low-income children, pregnant women, families, seniors, and Ohioans with disabilities. Ohio Health Plans contracts with more than 35,000 health care providers ensuring that Medicaid consumers get access to needed services such as physician visits, hospital inpatient care, prescription drugs, and home health services. In SFY 2003, over 61 million Medicaid provider claims were processed.

Medicaid, a state and federally funded health care program, makes up 24% of Ohio's state budget. In SFY 2003, the program expenditures approached \$9 billion dollars.

Ohio Medicaid provides health care for:

- 1 of every 7 Ohioans
- 1 of every 3 children
- 1 of every 4 seniors age 65 and older

Medicaid pays for:

- 1 of every 3 Ohio births
- 70% of all nursing home care

The Ohio Medicaid Consumer Hotline answered more than 415,000 calls at an average of 35,000 calls per month. Ohio Medicaid consumers enrolled in managed care plans, and in the traditional fee-for service system, reported that they were "very satisfied" with their Medicaid health care.

It is important for providers to know the immensity of the Medicaid program and services that relate to coverage of high quality, cost effective, and accessible health care. For further information, visit the web site at www.jfs.ohio.gov.

Coding corner *continued from p. 2*

Example: A 57-year-old female is admitted for atherosclerosis. On the discharge summary, the attending physician lists the final diagnosis as aortoiliac artery occlusion secondary to stricture and aortic atherosclerosis. Code assignment: 447.1, other disorders of arteries and arterioles, stricture of artery, and 440.0, atherosclerosis of aorta.

Note: Upon reviewing the medical record, if the documentation is limited to “stroke” or “CVA”, query the attending physician for additional information so the coder may assign the appropriate diagnosis code.

UR manager *continued from p. 3*

Medicaid Utilization Review Program, contact Maureen Riley, UR Service Line Manager at 614-895-9900, Ext. 3430.

Helpful Information Available on the Internet!

ODJFS has a web page that provides valuable information about Medicaid with topics ranging from payment policies to forms for ordering additional handbooks. The web address for ODJFS is www.jfs.ohio.gov. Additional information may be accessed from the Bureau of Health Plan Policy’s web page at <http://jfs.ohio.gov/ohp/bhpp>. Permedion’s web site (www.permedion.com,

Ohio Medicaid) also contains information on the Ohio Medicaid Utilization Review Program.

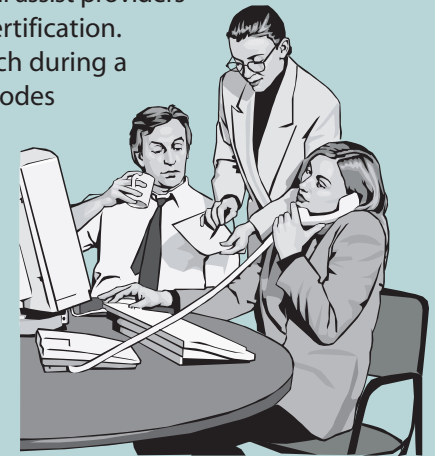


New Precertification Codes for 2005

Six additional CPT codes have been added to the list of hospital services that require precertification for an Ohio Medicaid recipient. Hospital providers were notified of this change through Transmittal Letter (HHTL) 3352-04-10 on February 17, 2005. These new codes became effective March 17, 2005.

The revision adds five CPT codes that correlate to two procedure categories - ICD-9 codes 80.51 and 81.08 - and will assist providers in the identification of services that require precertification. These codes are related to the posterior approach during a lumbar laminectomy and are identified as CPT codes 63030, 63035, 63042, 63044 and 63047. These new laminectomy codes require precertification in the inpatient setting only.

The revision also adds one hysterectomy code that requires precertification whether performed in the inpatient or outpatient setting. The new code is CPT 58552, which is identified as a laparoscopic assisted vaginal hysterectomy. An outpatient setting or “observation status” is the preferred method for scheduling this elective surgical procedure.



A complete list of elective surgical procedures requiring precertification are located on Permedion’s website at www.permedion.com. Follow the links for “Ohio Medicaid” and “Procedures requiring precert effective 3/17/05.” For additional information, please call the Ohio Medicaid Precertification Center at 1-800-772-2179.

CONTACT INFORMATION

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