



<b>ISSUE DATE</b>  September 1, 2015	<b>EFFECTIVE DATE</b>  July 1, 2015	<b>NUMBER</b>  *See Below
<b>SUBJECT</b>  Provider Preventable Conditions		<b>BY</b>   Leesa M. Allen, Deputy Secretary Office of Medical Assistance Programs

**IMPORTANT REMINDER:** On **October 1, 2015**, the ICD-9 code sets used to report medical diagnoses and inpatient procedures will be replaced by ICD-10 code sets. Additional information is available on the Department of Human Services website at:

[http://www.dhs.state.pa.us/provider/icd10information/P\\_012571](http://www.dhs.state.pa.us/provider/icd10information/P_012571)

**IMPORTANT REMINDER:** All providers (including all associated service locations - 13 digits) who enrolled on or before **March 25, 2011** must revalidate their enrollment information no later than **March 24, 2016**. New enrollment application including all revalidation requirements may be found at [http://www.dhs.state.pa.us/provider/promise/enrollmentinformation/S\\_001994](http://www.dhs.state.pa.us/provider/promise/enrollmentinformation/S_001994). Please send in your application(s) as soon as possible.

**PURPOSE:**

The purpose of this Medical Assistance (MA) Bulletin is to inform providers of a change to the MA Program's payment policy and reporting requirements for Provider Preventable Conditions (PPCs), effective July 1, 2015.

**SCOPE:**

This bulletin applies to the following enrolled providers in the MA Program who render services to MA beneficiaries in the Fee-For-Service (FFS) and the MA managed care delivery systems:

- Acute care general hospitals paid under a prospective payment system;
- Inpatient rehabilitation and psychiatric hospitals and excluded rehabilitation and psychiatric units of acute care general hospitals paid under a prospective per diem system;
- Nursing facilities, including private, county and state operated nursing facilities paid under a prospective per diem system;
- Intermediate care facilities for the intellectually disabled (ICF/ID) or other related conditions (ICF/ORC) paid under the retrospective per diem system;

*01-15-28	03-15-24	09-15-28	18-15-02	31-15-28	33-15-27
02-15-24	08-15-28	14-15-24	27-15-24	32-15-24	47-15-01

**COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:**

The appropriate toll free number for your provider type

Visit the Office of Medical Assistance Programs Web site at  
<http://www.dhs.state.pa.us/provider/healthcaremedicalassistance/index.htm>

- Ambulatory surgical centers and hospital based short procedure units paid from the MA Program Fee Schedule;
- Clinics, including hospital based medical-surgical clinics, independent medical-surgical clinics, and family planning clinics paid from the MA Program Fee Schedule;
- Rural health clinics, federally qualified health centers and birth centers paid under a prospective payment system; and
- Practitioners, including physicians, dentists, podiatrists, certified registered nurse practitioners, optometrists and midwives paid from the MA Program Fee Schedule.

Providers rendering services under the MA managed care delivery system should address any questions related to payment policy and reporting requirements to the appropriate managed care organization (MCO).

**BACKGROUND:**

The Patient Protection and Affordable Care Act of 2010 (P.L. 111-148) (ACA), enacted March 23, 2010, required the United States Department of Health and Human Services (HHS) to promulgate regulations that prohibit payment by State Medicaid Programs for Health Care-Acquired Conditions (HCACs).

On June 6, 2011, the Centers for Medicare & Medicaid Services (CMS) established the term PPCs, which encompasses HCACs and other provider preventable conditions (OPPCs), and promulgated regulations regarding Medicaid program payment prohibitions for PPCs.

In the final rule at 77 FR 53257 published on August 31, 2012, CMS added two additional Hospital Acquired Conditions (HACs) to their list. These HACs are:

- Surgical site infection following a Cardiac Implantable Electronic Device; and
- Iatrogenic Pneumothorax with Venous Catheterization.

**DISCUSSION:**

On July 1, 2015, the Department of Human Services (Department) implemented Version 31 of the All Patient Refined-Diagnosis Related Group (APR-DRG) classification system in the Provider Reimbursement and Operations Management Information System (PROMISE) for MA Program enrolled acute care general hospitals' claims for services rendered to MA beneficiaries in the FFS delivery system. The Department also implemented Version 31 of HCACs, which complements Version 31 of

the APR-DRG classification system, in that it allows the Department to identify and prohibit payment for all CMS identified HACs.

This bulletin amends the list of PPCs identified in MA Bulletin 01-12-30, "Provider Preventable Conditions," issued June 15, 2012 and effective July 1, 2012, by adding the above listed HACs to the list of HACs:

- Foreign Object Retained After Surgery
- Air Embolism
- Blood Incompatibility
- Stage III and Stage IV Pressure Ulcers
- Falls and Trauma
  - Fractures
  - Dislocations
  - Intracranial Injuries
  - Crushing Injuries
  - Burns
  - Other injuries
- Manifestations of Poor Glycemic Control
  - Diabetic Ketoacidosis
  - Nonketotic Hyperosmolar Coma
  - Hypoglycemia Coma
  - Secondary Diabetes with Ketoacidosis
  - Secondary Diabetes with Hyperosmolarity
- Catheter-Associated Urinary Tract Infection
- Vascular Catheter-Associated Infection
- Surgical Site Infection following:
  - Coronary Artery Bypass Graft – Mediastinitis
  - Bariatric Surgery
    - Laparoscopic Gastric Bypass
    - Gastroenterostomy
    - Laparoscopic Gastric Restrictive Surgery
  - Orthopedic Procedures
    - Spine
    - Neck
    - Shoulder
    - Elbow
  - **Cardiac Implantable Electronic Device**
- DVT/PE
  - Total Knee Replacement
  - Hip Replacement
- **Iatrogenic Pneumothorax with Venous Catheterization**

**PROCEDURE:**

Under the FFS delivery system, providers are required to report PPCs, including HCACs and OPPCs, on or attached to their claims, to the Department as set forth in MA Bulletins 01-12-30 and 08-13-39 and their MA Program Provider Handbooks. Providers are to refer to updates in their Billing Guides regarding claim submissions for PPCs, including HCACs and OPPCs. MA Program Provider Handbooks and Billing Guides may be viewed by accessing the following website link:

<http://www.dhs.state.pa.us/publications/forproviders/promiseproviderhandbooksandbillingguides/index.htm>

Effective with dates of discharge on or after July 1, 2015, providers are required to report to the Department, two additional HACs as follows:

- Surgical site infection following a Cardiac Implantable Electronic Device; and
- Iatrogenic Pneumothorax with Venous Catheterization

The Department will adjust provider payments for HCACs and OPPCs in accordance with 42 CFR § 447.26 relating to prohibition on payment for provider-preventable conditions; Section 1902(a)(30) of the Social Security Act (42 U.S.C.A. § 1396a(a)(30)) and 55 Pa.Code § 1101.71 relating to safeguarding against unnecessary utilization of care and services; 62 P.S. 1470 and 55 Pa.Code 1101.77(a)(10) relating to the prohibition of claims submissions for medically unnecessary services; 55 Pa.Code § 1101.83 relating to restitution and repayment for noncompensable services; and as set forth in MA Bulletin 01-12-30, titled "Provider Preventable Conditions", effective July 1, 2012.

Under the MA managed care delivery system, providers are required to report PPCs, including HCACs and OPPCs, to the appropriate MCO as directed by the MCO.