

PROVIDER BULLETIN

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TO: Hospitals

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BY: Margaret Booth, Administrator I

RE: Present on Admission Indicator for Hospital Acquired Conditions

PLEASE SHARE THIS INFORMATION WITH ADMINISTRATIVE, CLINICAL
AND BILLING STAFF.

Effective for inpatient claims and inpatient crossover claims with a 'From' date of service on or after July 1, 2011, Nebraska Medicaid will adopt a hospital-acquired conditions (HAC) policy for Medicaid claims using the existing version 27.0 of the All Patient Diagnosis-Related Group (AP DRG) grouper. Hospitals are required to report whether each diagnosis on a Medicaid claim was present present on admission (POA). Claims submitted without the required POA indicators will be denied. For claims containing secondary diagnoses that are included in the list of HACs in Table 1 and for which the condition was not POA, the HAC secondary diagnosis will not be used for AP DRG grouping. The claim will be paid as though any secondary diagnoses included in Table 1 were not present on the claim.

Exempt Hospitals

POA indicator reporting is mandatory for all Medicaid claims involving inpatient admissions to general acute care hospitals. However the following types of hospitals are EXEMPT from the Medicaid HAC policy and POA indicator reporting at this time:

- Critical Access Hospitals
- Inpatient Psychiatric Hospitals
- Inpatient Rehabilitation Hospitals
- Children's Hospitals
- Cancer Hospitals

Present on Admission Indicator

POA is defined as “present” at the time the order for inpatient admission occurs. Conditions that develop during an outpatient encounter, including emergency department, observation, or outpatient surgery are considered present on admission. A POA indicator must be assigned to principal and secondary diagnoses (as defined in *Section II* of the *Official Guidelines for Coding and Reporting*). The Centers for Medicare & Medicaid Services (CMS) does not require a POA indicator for an external cause of injury code unless it is being reported as an “other diagnosis.”

Therefore, Medicaid does not require a POA indicator in field locator 72, External Cause of Injury, of the UB-04 claim form. If a POA indicator is entered in field locator 72, it will be ignored and not used for AP DRG grouping.

POA Indicators and Definitions

Table 1 – POA Indicators, Definitions and Nonexempt HAC Diagnosis Codes

POA	Description	For Nonexempt HAC Diagnosis Codes
Y (for yes):	Present at the time of inpatient admission	Diagnosis is used for AP DRG grouping
N (for no):	Not present at the time of inpatient admission	Diagnosis is suppressed from AP DRG grouping – HAC Table 2.
U (for unknown):	The documentation is insufficient to determine if the condition was present at the time of inpatient admission.	Diagnosis is suppressed from AP DRG Grouping – HAC Table 2.
W (for clinically undetermined)	The provider is unable to clinically determine whether the condition was present at the time of admission.	Diagnosis is used for AP DRG grouping
1 (one) (for unreported/not used):	Diagnosis is exempt from POA reporting. <div style="border: 1px solid black; padding: 5px; margin: 5px 0;"> <p>Note: The International Classification of Diseases, Ninth Edition (ICD-9-CM) Official Guidelines for Coding and Reporting includes a list of diagnosis codes that are exempt from POA reporting. Use POA indicator 1 only for codes on the list.</p> </div>	POA indicator “1” should not be used unless diagnosis is exempt from HAC/POA reporting.

The current list of HACs was published by CMS in the August 16, 2010, FFY 2011 Inpatient Prospective Payment System final rule (73 FR 48471). Medicaid will continue to follow CMS' HAC determinations, including any future additions or changes to the current list of HAC conditions, as well as diagnosis codes that are exempt from HAC reporting. The list of exempt diagnosis codes can be found in the ICD-9-CM Official Guidelines for Coding and Reporting, effective October 1, 2009, at <http://cdc.gov/nchs/data/icd9/icdguide10.pdf>

Table 2 – Final HAC List as Published in FFY 2011 Final Rule

Description	Applicable ICD-9 Codes CC – Complicating Condition MCC – Major Complicating Condition
Foreign Object Retained After Surgery	998.4 (CC) and 998.7 (CC)
Air Embolism	999.1 (MCC)
Blood Incompatibility	999.60 (CC) 999.61 (CC) 999.62 (CC) 999.63 (CC) 999.69 (CC)
Pressure Ulcers Stages III and IV	707.23 (MCC) and 707.24 (MCC)
Falls and Trauma <ul style="list-style-type: none"> • Fractures • Dislocations • Intracranial Injuries • Crushing Injuries • Burns • Electric Shock 	CC/MCC codes within these ranges: 800 – 829 830 – 839 850 – 854 925 – 929 940 – 949 991 – 994
Catheter-Associated Urinary Tract Infection (UTI)	996.64 (CC), and excludes the following from acting as a CC/MCC: 112.2 (CC) 590.10(CC) 590.11(MCC) 590.2 (MCC) 590.3 (CC) 590.80(CC) 590.81(CC) 595.0 (CC)

	597.0 (CC) 599.0 (CC)
Vascular Catheter-Associated Infection	999.31 (CC)
Manifestations of Poor Glycemic Control	250.10 – 250.13 (MCC) 250.20 – 250.23 (MCC) 251.0(CC) 249.10 – 249.11(MCC) 249.20 – 249.21(MCC)
Surgical Site Infection, Mediastinitis After Coronary Artery Bypass Graft (CABG)	519.2 (MCC) and one of the following procedure codes: 36.10 – 36.19
Surgical Site Infection Following Certain Orthopedic Procedures	999.67 (CC) or 998.59 (CC) and one of the following procedure codes: 81.01 – 81.08 81.23 – 81.24 81.31 – 81.38 81.83 81.85
Surgical Site Infection Following Bariatric Surgery for Obesity	Principal Diagnosis - 278.01 998.59 (CC) and one of the following procedure codes: 44.38 44.39 44.95
Deep Vein Thrombosis (DVT)/Pulmonary Embolism (PE) Following Certain Orthopedic Procedures	415.11 (MCC) 415.19(MCC) 453.40-453.42 and one of the following procedure codes: 00.85 – 00.87 81.51 – 81.52 81.54

Notes: If a claim contains a HAC diagnosis with a POA indicator of “U” or “N,” the HAC diagnosis will be suppressed when the claim processes through the DRG grouper. The MMIS will not pay the complicating condition/major complicating condition (CC/MCC) for HACs.

The POA indicator of “1” is only applicable to diagnoses exempt from POA reporting and should not be applied to any codes on the HAC list. Any claims

using the POA indicator of "1" with a nonexempt diagnosis will deny, and providers will need to correct and resubmit the claim for reimbursement.

Claims containing HAC diagnoses with POA indicators of "Y" or "W" will process through the AP DRG grouper and process per normal inpatient policy. Claims submitted by a nonexempt hospital that do not include a POA indicator for the principal and any secondary diagnoses will be denied. The provider will need to correct and resubmit the claim.

If you have any questions regarding this bulletin, please contact Margaret Booth at 402-471-9380 or at margaret.booth@nebraska.gov.