## NYS Medicaid Billing Policies regarding Tropical Storm Irene:

I. **General Principles:**

a. Medicaid intends on paying claims in a timely fashion to avoid cash flow issues for healthcare facilities as a result of this emergency.

b. Payments will be developed using policies and existing state plan methodologies where applicable to develop fair and equitable payments for both evacuated and receiving facilities as it relates to patient care.

c. The Department will continue to work with CMS to assist us in developing payment policies.

II. **General Billing Policies/Scenarios:**

**1. A nursing home patient who was transferred to a hospital <u>with staff</u>** - the nursing home would get 100% of the daily nursing home rate and the hospital would get 50% of the Alternate Level of Care (ALC) rate. Nursing home would not be required to count the resulting days as bed hold days for purposes of the annual limitations on bedhold coverage***.***

**2. A nursing home patient who was transferred to a hospital <u>without staff</u>** - the nursing home would get 50% of the bed hold rate and the hospital would get 100% of the ALC rate. Nursing home would not be required to count the resulting days as bed hold days for purposes of the annual limitations on bedhold coverage***. (Current Bed holds paid at 95% of NH rate.)***

**3. A nursing home patient is transferred to another nursing home <u>with staff</u>**- the transferring NH will receive 100% of their daily nursing home rate and the receiving NH will receive 50% of their bed hold rate. The transferring nursing home continues to count the days while the patient is in the receiving facility.

**4. A nursing home patient is transferred to another nursing home <u>without staff</u>**- the transferring NH will receive 50% of their existing bed hold rate and the receiving NH will receive 100% of their existing NH rate. The transferring nursing home continues to count the days while the patient is in the receiving facility.

**5. A hospital patient who was transferred to another hospital and subsequently discharged from the receiving hospital**- the evacuating hospital would receive a transfer payment up to the full DRG amount depending upon the number of days in the stay at the appropriate APR-DRG. The receiving hospital would be paid the full DRG at the appropriate APR-DRG level of care for the stay based upon diagnosis upon admission and services provided by receiving hospital. ***(This is the current billing policy for transfer cases.)***

**6. A hospital patient who was transferred to another hospital and subsequently returns to the evacuated hospital** - the evacuating hospital would receive a transfer payment up to full DRG payment and the receiving hospital would get a transfer payment for days they provided service. The original hospital would then get a DRG payment for the discharge, based upon the assigned APR-DRG upon second admission.

III. **General Billing Policies for Patient Care Services**:

**1. Transportation:**

Reimbursement for transportation -- the initial transport as part of the pre-landfall emergency evacuation should be covered under FEMA Public Assistance Category B (Emergency Protective Measures). (Transportation back to the originating facility post-emergency is a different issue; consult your FEMA contact.) Providers should work through their FEMA contact (the local county FEMA representative) for specifics. FEMA funds can be requested for transportation expenses if not covered by other parties (Medicare, Medicaid or commercial policies). Medicare and Medicaid will not recognize these additional transportation costs related to this emergency.

**2. Capital:**

Could FEMA dollars be used for damage expenses? ***Facilities in counties that were declared disaster counties by the President, must apply to FEMA through their county for reimbursement for damages. The kick off for FEMA will be applicants' conferences which are being scheduled by FEMA.***

**3. Operating:**

Are expenses that were incurred for preparing for the storm reimbursable? For example, if additional costs incurred on overtime in preparation of evacuation, but then evacuation wasn't necessary, can those expenses be reimbursed? ***These costs are not reimbursable by Medicaid, but may be eligible for consideration by FEMA, but you would have to apply directly to FEMA.***

**4. Other Important Technical Information:**

**a.** All Medicaid fee-for-service submitted claims related to patients affected by this emergency, whether transferred out or received between health care providers or other service providers, must include "DR" (Disaster Related) in the condition code field of the claim. This will provide OHIP with the ability to track these claims to determine appropriate payments made as well as for research related

to this emergency. If you have already submitted a claim, please resubmit the claim to include the "DR" on the claim.

**b.** Definition of Staff – some of the rate policies stated in Part II refer to "staff" being transferred with the patients. A reasonable staffing ratio or guideline would be if a provider sent at least 50% of the direct patient care staff that is on average, required to attend to that level of patient care to the receiving facility and that staff remained for the duration of time of the emergency evacuation. Providers will need to substantiate the payment of the evacuating nursing home's staff by utilizing payroll records matching the dates of service to those of the emergency.

**c.** Reconciliation - The Department will be establishing a reconciliation process to determine the correct payments made to facilities affected by Tropical Storm Irene in accordance with the scenarios presented in Part II. A key factor in this process will be the "DR" code on the claims submitted. Providers will be requested to submit additional information after reports are generated from the eMedNY system for claims with that code.

## IV. Questions submitted from the Industry and corresponding answers:

1. Can an ambulance/ ambulate company bill Medicaid directly for the cost of evacuating nursing home residents during the storm?

   ***Ans:*** As indicated above, reimbursement for transportation -- the initial transport as part of the pre-landfall emergency evacuation should be covered under FEMA Public Assistance Category B (Emergency Protective Measures). (Transportation back to the originating facility post-emergency is a different issue; consult your FEMA contact.) Providers should work through their FEMA contact (the local county FEMA representative) for specifics. FEMA funds can be requested for transportation expenses if not covered by other parties (Medicare, Medicaid or commercial policies). Medicare and Medicaid will not recognize these additional transportation costs related to this emergency.

2. Should the evacuating nursing home bill Medicaid for a normal patient day (i.e., bill as though the patient resided in the evacuating facility, and not bill the amount as a therapeutic leave day, or bed hold day)?
   ***Ans: Initially yes, however based upon the policies listed above reconciliation may be required on the claims. All claims submitted related to patients transferred due to this emergency must contain the "DR" (Disaster Related) condition code in the claim.***

3. If a receiving nursing home formally admitted and later discharged the patient, should the receiving nursing home void the admission and discharge? If not, could the evacuating facility bill for the day as a normal patient day in their facility? Note that the nursing home Medicaid rate for a dispatching and receiving facility are different.
   ***Ans: Patients were to be considered transfers on a temporary basis. Payment of Medicaid claims shall be made based upon policies outlined in Part II above.***

4. Please clarify whether, for the duration of the evacuation, the evacuees are to be reported on the census of the evacuating or receiving nursing facility. Also, would the answer be different if there was an official admission and discharge at the receiving facility?
   ***Ans: The evacuees should be reported in the census of the evacuating nursing home and not on the receiving nursing home's census.***

5. If a nursing home patient was already at a hospital prior to the hurricane, and continued to stay at the hospital for the duration of the hurricane, should a nursing facility that used to bill Medicaid for a "bed hold" day for that patient before the hurricane, continue to bill it as a "bed hold" day or a normal patient day?
   ***Ans: Nursing homes should continue to bill these as bed hold days.***

6. Currently there are maximum limits on the number of bed hold days for each patient. Would the maximum limit be relaxed for the period of the evacuation so that a nursing facility can bill beyond the maximum bed hold days currently permitted?
   **Ans: The bed hold day billings as a result of this emergency evacuation will not be counted towards those maximum limitations. Claims submitted to Medicaid should contain the 'DR' patient condition code as described in Part II j above.**

7. Open heart patient with high weight DRG is admitted to hospital A before the hurricane has the surgery and is convalescing….forced to evacuate to hospital B by town order….while in hosp B for 1 day, hospital B loses power forcing transfer to hospital C who ultimately discharges the patient to home.
   Does hospital A and hospital B each get per diem transfer reimbursement based on the high weighted DRG?
   ***Ans: See Part II e or f above for the treatment between hospital A and B.***

   Does hospital C get the full high weight DRG even though the patient was basically convalescing since the surgery took place in hospital A?

   ***Ans: Hospital C will get the appropriate APR-DRG based upon the discharge of that patient from that hospital.***

   Open heart patient with high weight DRG is admitted to hospital A before the hurricane has the surgery and is convalescing …forced to evacuate to hospital B by town

order….after 2 days, patient is transferred back to hospital A who ultimately discharges the patient to home:

Does hospital A get paid only one high weighted DRG even though the patient was there twice?
***Ans: See Part II e above***

Does hospital B get per diem transfer reimbursement based on the high weighted DRG even though the surgery didn't take place there?
***Ans: See Part II e above for billing.***

8. Nursing Home admitted community Hospice patients during the emergency. The question is do they bill for the residents/submit an MDS? Or does the Community Hospice bill and pays them?
***Ans:*** For Medicaid under a contractual arrangement adhere to the standard practice by which the Community Hospice bills and reimburses the NH.

9. Should the receiving facility have admitted evacuating residents into their vacant beds through their billing system --- thus impacting the receiving facility's census?
***Ans: No, see Part III 3 & 4 above.***

10. How does a receiving facility bill Medicaid/Medicare for those residents for which the receiving facility had "no vacant beds"? Such evacuees may have been placed on beds in spare rooms or on cots in common areas (e.g., dining room).
***Ans: For Medicaid, see Part II above for the appropriate situation for specific patient case. For Medicare, applicable Medicare policies will apply. (Medicare policy generally state the two nursing homes need to work out payment between them under an arrangement and the home nursing home continues to bill for the patient.***

11. Was it a requirement for the receiving facility to have completed assessments for the evacuees?
***Ans: Nursing home patients were not to be actually discharged or admitted, but only temporarily transferred due to the emergency, and therefore assessments are not required to be completed by the receiving nursing home.***

12. Are the evacuees to be included in the receiving facility's daily midnight census?
***Ans: See answer Part III 4 above.***

13. How will evacuees at the receiving facility ultimately be reported on the cost report?
***Ans: Patients should not be reported as patients of the receiving NH in annual cost reports.***

14. From HRA (NYC): Are there any special policy changes regarding this weekend's Hurricane and the impact it had on Flood prone Nursing Homes that had to evacuate

their residents to other Nursing Homes? Or do we just process them as regular transfers from facility (A) to facility (B) to facility (A)?
***Ans: See answers above that address these questions.***

15. Payment of Transportation costs between NH and Hospitals due to evacuation?
***Ans: See answer to Part III, question I above.***