

November 2, 2012

## Reposting of DOH Hurricane Payment Guidance

With a large number of members now accommodating evacuated residents, LeadingAge NY is reposting the initial guidance from DOH on tracking and billing for transferred residents. While we are still awaiting additional clarification from DOH, this is the most current information available.

To date, DOH issued the following letter along with the two attachments that follow:

Dear Administrators/Controllers/Associations,

We have been asked to help alleviate potential Medicaid billing issues that may occur related to Hurricane Sandy for Hospitals and Nursing Homes in affected areas of evacuation in New York State.

Examples of the payment policies are in the attached Medicaid Payment Scenarios document. Please note that per NYS regulations, the Department of Health is only allowed to reimburse providers for Medicaid patients/residents only, and is not able to reimburse for other payors such as Medicare. In order to alleviate future billing issues, the following information should be collected:

1. The facility the resident was transferred to/received from;
2. Dates of Service (Not Including Discharge Date); and
3. Medicaid Patient ID number.

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.

In addition, a NYS Medicaid Billing Policies regarding Hurricane Sandy document is attached. The attached document states both the general principles and the payment policies that have been developed for the Medicaid program.

Further information as it pertains to Hurricane Sandy will be forthcoming as necessary.

John W. Gahan Jr.  
Director  
Bureau of Primary & Acute Care Reimbursement

## **NYS Medicaid Billing Policies regarding Hurricane Sandy:**

### **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.

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

**1. A nursing home patient who was transferred to a hospital** - 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 is transferred to another nursing home** - both the transferring NH and receiving NH will receive 100% of their daily nursing home rate. The transferring nursing home continues to count the days while the patient is in the receiving facility.

**3. 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.)*

**4. 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.

**5. Other – Nursing Home to Shelter or Temporarily Home** – the transferring nursing home would receive 95% of the daily nursing home rate.

### **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 will not recognize these additional transportation costs related to this emergency.

For ambulance transportation – if the Office of Hospital Insurance Programs (OHIP) determines that these transports were medically necessary (based upon life-safety) in an emergency situation for Medicaid patients, the ambulance companies could be paid directly. There are two levels of Transportation: Basic Living Support (BLS) and a Higher Level (HL).

## 2. Capital:

Could FEMA dollars be used for damage expenses? ***Facilities in counties that may be 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 would be 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.
- b. Reconciliation - The Department will be establishing a reconciliation process to determine the correct payments made to facilities affected by Hurricane Sandy in accordance with the scenarios presented in Part II if necessary. 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.

- c. In order for Medicaid to consider reimbursement related to any of the above services, the provider must be able to submit the following information so that verification after the fact can be completed.
  - i. Medicaid Patient ID number
  - ii. Dates of Service (Not including Discharge Date)
  - iii. What facility was the resident transferred to/received from

## Hurricane Short Term Evacuation Medicaid Payment Scenarios

Scenarios	Transferring Facility		Receiving Facility	
<b>Nursing Home Patient to Hospital</b>	<b>100 % of Daily NH Rate</b>		<b>50% of Hospital ALC Rate</b>	
	Downstate Avg:	\$250.76	Downstate Avg:	\$193.85
	Upstate Avg:	\$230.65	Upstate Avg:	\$135.07
<b>Nursing Home Patient to Nursing Home</b>	<b>100% of Daily NH Rate</b>		<b>100% of Daily NH Rate</b>	
	Downstate Avg:	\$250.76	Downstate Avg:	\$250.76
	Upstate Avg:	\$230.65	Upstate Avg:	\$230.65
<b>Hospital to Hospital – Discharge from Receiving Hospital</b>	<b>Transfer (Daily Rate) Up To Full DRG</b>		<b>Full DRG at Appropriate Level When Received</b>	
	Downstate Avg:	\$2,255.05	Downstate Avg:	\$12,585.02
	Upstate Avg:	\$1,614.10	Upstate Avg:	\$7,488.50
<b>Hospital to Hospital – Returned to Initial Hospital</b>	<b>Existing Transfer Policy*</b>		<b>Transfer Payment for Days Providing Service</b>	
	Downstate Avg:		Downstate Avg:	\$2,255.05
	Upstate Avg:		Upstate Avg:	\$1,614.10

<b>Other: Nursing Home to Shelter or Temporarily Home</b>	<b>95% of Daily NH Rate</b>		<b>N/A</b>	
	Downstate Avg:	\$238.22	N/A	N/A
	Upstate Avg:	\$219.12	N/A	N/A
<b>Ambulance Transportation:</b>	<b>Two Levels of Transportation</b>			
	NYC - Basic Living Support (BLS)	\$139.20		
	NYC - Higher Level (HL)	\$186.70		

**\*Existing Transfer Policy – Transfer rate up to full DRG plus the DRG diagnosis upon the 2<sup>nd</sup> admission.**