

	MEDICAL ASSISTANCE BULLETIN COMMONWEALTH OF PENNSYLVANIA * DEPARTMENT OF PUBLIC WELFARE		
	NUMBER: 11-97-10	ISSUE DATE: August 11, 1997	EFFECTIVE DATE: August 11, 1997
SUBJECT: Cost Outlier Payments for Certain Burn and Neonate Cases		BY:  Robert S. Zimmerman, Jr., M.P.H. Deputy Secretary for Medical Assistance Programs	

PURPOSE:

The purpose of this bulletin is to inform hospitals how to receive cost outlier payments for certain neonate and burn cases and use of proper ICD-9-CM coding.

SCOPE:

This bulletin is applicable to acute care general hospitals enrolled in the Medical Assistance (MA) Program.

BACKGROUND:

Under Grouper 7, neonate and burn cases, with tracheotomies or laryngectomies would have been paid as cost outliers under DRG 385 through 390 or DRG 456 through 460 and DRG 472. When Grouper 8 was adopted, it initiated system changes whereby a tracheotomy or a laryngectomy procedure code, when billed, would determine the DRG rather than the principal diagnosis code.

These changes caused some neonate and burn cases, previously paid as cost outliers, to group into DRGs 482 and 483, which resulted in a day outlier payment. Thus, under Grouper 8 and subsequent Groupers, when a tracheotomy or laryngectomy is performed on a neonate or burn patient, the procedure code drives the claim into DRG 482 or 483, reimbursable as a day outlier.

The Department is making payment provisions in order for hospitals to be eligible to receive cost outlier payments on neonate and burn cases when tracheotomies or laryngectomies have been performed.

PROCEDURE:

A. For current claims with end dates of service of less than one year.

If the hospital believes they are eligible to receive cost outlier payments for neonate and burn cases when tracheotomies or laryngectomies are performed, please submit the UB-92 in the normal fashion.

The UB-92 should be completed and the procedure code tracheotomy or laryngectomy should be entered in form locator 80 or 81 (relating to procedure codes).

Using the attached cost outlier formula with DRG 482 or 483 payment information, the hospital can determine if additional payment is due.

B. For claims previously submitted:

If additional payment is due for claims with an end date of service greater than December 31, 1992, and more than one year old and the claim has been previously submitted and paid under DRG 482 or 483, please submit the adjusted UB-92 within

six months of the issue date of this bulletin to:

Department of Public Welfare
Bureau of Consumer and Provider Services
DRG 482/483 Claim Adjustment
P.O. Box 8047
Harrisburg, PA 17105-8047

The UB-92 should indicate in form locator 4, that the type of bill is number 117, and the paid claim reference number should be listed in form locator 37C.

Also, providers are reminded that the ICD-9-CM coding reported on the inpatient MA invoices submitted for payment must adhere to MA regulations, coding principles and guidelines to ensure correct DRG payment of invoices.

The principal diagnosis is defined as the condition established after study to be chiefly responsible for the admission of the patient. **An ICD-9-CM code from categories V30-V39 is assigned only once, at the time of birth, by the hospital where the infant was born.** These codes are not to be used as principal diagnosis codes for infants transferred from one hospital to another. The hospital accepting the transferred infant must use the applicable ICD-9-CM diagnosis code that reflects the reason for the admission and meets the above definition of a principal diagnosis.

If medical record reviews by the Department result in denial of days, any claim adjustments submitted must exclude all the denied days and all changes related to these days. Payment of claims does not preclude further action by the Department.

ATTACHMENT:

- Cost Outlier Formula

COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:

The appropriate toll-free telephone number for your provider type.
Visit the Office of Medical Assistance Programs website at www.dpw.state.pa.us/omap.