

OKC Metro Area (405) 522-6205 / Statewide Toll-Free (800) 522-0114

State Fiscal Year 2015 Hospital Updates

OHCA PRN 2014-06

July 17, 2014

Dear Hospital Administrators,

As you may know, the Oklahoma Health Care Authority (OHCA) is facing a budget shortfall for state fiscal year 2015. To help offset the shortfall OHCA will be introducing new policies and programs that will impact hospitals serving SoonerCare members. This notice is to provide a brief overview of the upcoming changes to the hospital program.

Across the Board Rate Reduction

The SoonerCare program, effective July 1, 2014, has implemented a 7.75% provider rate reduction.

Copays

Effective July 1, 2014, for hospital outpatient claims, the per visit co-pay will be increase from \$3 to \$4.

Sleep Studies

Effective August 1, 2014, claims for sleep studies will require a Prior Authorization (PA). More information can be found in provider letter 2014-38, at www.okhca.org/providerletters.

Spinal Surgeries

Also effective August 1, 2014, spinal surgeries will require a prior authorization (PA). A list of ICD-9 surgical procedure codes that will require a PA is attached. More information regarding this change can be found in provider letter 2014-45, at www.okhca.org/providerletters.

Hospital Readmissions

The OHCA is planning to implement a quality initiative to support the reduction of potentially preventable readmissions (PPRs) October 1, 2014. The OHCA will use 3M's PPR software to identify PPRs and establish a target PPR rate – adjusted for each hospital's case mix, patient age and behavioral health. Hospitals payment reductions will be based on the excess number of potentially preventable readmissions in a hospital determined based on a hospital's risk-adjusted readmission rate as compared to the target rate.

More information can be found at <http://www.okhca.org/providers.aspx?id=16078>.

Long Acting Reversible Contraceptive (LARC)

Effective September 12, 2014, the Oklahoma Health Care Authority has amended policy to allow separate reimbursement for long acting reversible contraceptive (LARC) devices outside the Diagnosis Related Group (DRG) payment methodology when placed immediately postpartum (while the member is still inpatient). LARC devices prove to be more effective in the reduction of unintended pregnancies and their potential negative health outcomes for both infant and mother.

Separate reimbursement will be allowed for the following LARC devices:

- J7300 – Intrauterine copper contraceptive
- J7301 – Levonorgestrel-releasing intrauterine contraceptive system (Skyla), 13.5mg
- J7302 – Levonorgestrel-releasing intrauterine contraceptive system, 52mg
- J7307 – Etonogestrel (contraceptive) implant system

In order for the facility to receive reimbursement for the device, a separate outpatient claim must be filed from the inpatient facility claim, utilizing the codes noted above. Physicians may receive reimbursement for placement utilizing the appropriate procedure code and place of service on a HCFA-1500.

Budget Reduction Policy Changes

Information on policy changes related to the recent budget reductions can be found in provider letter 2014-42, at www.okhca.org/providerletters.

If you have any questions or require additional information please contact me by email at Kelly.Taylor@okhca.org or by phone at (405) 522-7108.

Thank you for your continued service to Oklahoma's SoonerCare members.

ICD 9 PROC CODE
8051 - EXCISION OF INTERVERT DISC
8100 - SPINAL FUSION NOS
8101 - ATLAS-AXIS FUSION
8102 - OTH CERV FUSION ANT/ANT
8103 - OT CERV FUSION POST/POST
8104 - DRSL/DRSLUMB FUS ANT/ANT
8105 - DRSL/DSLMB FUS POST/POST
8106 - LUMB/LMBOSAC FUS ANT/ANT
8107 - LMB/LMBSAC FUS POST/POST
8108 - LUMB/LMBSAC FUS ANT/POST
8130 - SPINAL REFUSION NOS
8131 - REFUSION OF ATLAS-AXIS
8132 - REFUS OTH CERVCL ANT/ANT
8133 - REFUS OTH CERV POST/POST
8134 - REFUS DRS/DRSLMB ANT/ANT
8135 - REFUS DRS/DRSLMB PST/PST
8136 - REFUS LMB/LMBSAC ANT/ANT
8137 - REFUS LMB/LMBSAC PST/PST
8138 - REFUS LMB/LMBSC ANT/POST
8139 - REFUSION OF SPINE NEC
8162 - FUS/REFUS 2-3 VERTEBRAE
8163 - FUS/REFUS 4-8 VERTEBRAE
8164 - FUS/REFUS 9 VERTEBRAE