SERIOUS REPORTABLE EVENTS & PROVIDER PREVENTABLE CONDITIONS

Effective October 1, 2015

Policy:

NHP does not reimburse services associated with serious reportable events (SRE), "never events" and/or Provider Preventable Conditions. To administer this policy, NHP recognizes, but is not limited to, the serious reportable events identified by the National Quality Forum, *HealthyMass* and the CMS Medicare Hospital Acquired Conditions (HAC) and Present on Admission (POA) indicator reporting.

In compliance with the *Patient Protection and Affordable Care Act* (ACA), *Section 2702* and in conjunction with *42 CFR.447.26*; Neighborhood Health Plan (NHP) requires all participating providers and facilities to report all Provider Preventable Conditions (PPCs) to NHP. PPC category events are defined as medical conditions that are not present at the time of initial treatment and/or upon admission to a healthcare facility, but are acquired during the treatment and/or inpatient stay. Other Provider Preventable Conditions (OPPCs) and National Coverage Determinations (NCD) are PPC category events by which procedures, including incorrect procedures, are performed on the incorrect side, incorrect body part, or performed on the wrong person. These PPC category events are considered to be out of compliance with recognized and accepted medical practice standards. NHP will systematically monitor data for all incidents categorized and set forth in this policy.

The lists of CPT and ICD-10-CM codes contained within this policy may not be all-inclusive and is subject to change with or without notice to maintain compliance with state and federal regulations, and in conjunction with any updates, changes, additions, or deletions issued by the American Medical Association.

Policy Limitations:

This policy applies to all hospitals and sites covered by their hospital license, ambulatory surgery centers, and physicians performing the procedure(s) during which an "event" occurred; as defined by Centers for Medicare & Medicaid Services (CMS) 42 CFR. 447.26(b) in conjunction with Additional PPC designation set forth by MassHealth.

NHP will reimburse eligible NHP contracted providers, who accept transferred patients for post-event care at another institution or under the care of another physician. To be eligible for payment of services, these providers must not be related to the SRE/PPC event, render services upon readmission to the same facility, provide follow-up care by the same provider group nor any healthcare facility owned by the same parent organization in which the SRE/PPC event occurred for no less than 30 days, from the date of discovery of the event.

Member Cost-Sharing:

Providers are *strictly prohibited* to collect and/or bill NHP members for copayments, coinsurance, deductible charges, if any, including attempts to balance bill NHP members for SRE/PPC events and/or post-event related services, which are designated as ineligible for payment.

Service Limitations:

NHP *Does Not* reimburse professional nor facility charges where:

- The event occurs when treatment and/or services were being rendered to the patient and when the services are directly related to the occurrence of the event; the correction or remediation of the event; or subsequent complications arising from the occurrence of the event. Related services *do not include* the performance of the correct procedure.

- All services provided in the operating room or other health-care setting when an NCD occurs are considered related to the NCD and, therefore, not reimbursed. All such services must be reported as NCD-related services in claims submissions as described in this policy and in compliance with CMS and MassHealth regulations.

- All providers in the operating room or other health-care setting when an NCD occurs, who could bill individually for their services, are not eligible for payment, and their services must be reposted as NCD-related services.

- Any follow-up services provided as a result of a previous event reported, by the same provider(s) involving the same member are not reimbursed and must be reported as NCD-related services.

- Readmission to the same facility or for follow-up care provided by the same provider or a provider owned by the same parent organization within 30 days of the discovery of the event

If after a documented review of the provider event report filed with the Commonwealth of Massachusetts, the provider determination is that the services related to the event are billable in whole or in part, the provider must identify those charges directly related to the event, with their corresponding diagnosis and procedure codes. NHP will review the report and make a reimbursement determination accordingly: full, partial or no payment for the case.

As defined in the provisions of the Provider's contract with NHP, NHP may request additional information to facilitate further investigation of these events.

Billing Requirements:

Providers are required to report the occurrence of any SRE/PPC category event and all post-SRE/PPC category event related services to NHP through claims submissions. Providers are required to submit claims using the appropriate ICD-9 diagnosis code, Present on Admission (POA) indicator, and are further required to submit the appropriate modifier for each claim line billed.

> **NOTE:** Licensed hospitals and freestanding Ambulatory Surgery Centers (ASC) must continue to report the occurrence of the PPC as a Serious Reportable Event (SRE) to the Massachusetts Department of Public Health (MDPH), as set forth by MDPH **and** in addition are also required to report events NHP as set forth in this policy.

Present on Admission Indicators (POA)

Indicator	Description	Payment
Y	Diagnosis present at time of inpatient admission	Payment will be made.
N	Diagnosis NOT present at time of inpatient admission	No payment will be made.
U	Documentation insufficient to determine if condition was present at time of inpatient admission.	No payment will be made.
W	Clinically undetermined. Provider unable to clinically determine whether the condition was present at time of inpatient admission.	Payment will be made.
1	Exempt from POA reporting. Unreported/not used. This code is equivalent to a blank on the UB-04; however blanks are undesirable on data submitted via the 4010A.	Exempt from POA reporting
Z	The letter "Z" is used to indicate the end of the data element.	NA

Modifiers:

Modifier	Descriptor	Comment
PA	Surgical or other invasive procedure on wrong body part	For procedures on or after 07/01/2009
PB	Surgical or other invasive procedure on wrong patient	For procedures on or after 07/01/2009
PC	Wrong surgery or other invasive procedure on patient	For procedures on or after 07/01/2009

Paper Claim: Required Field

Submit the primary and secondary diagnosis codes (up to 5 digits) in the unshaded portion of form locator 67 A-Q of the UB-04 paper claim form. Submit the POA indicator in position 8 (the shaded area) of form locator 67, of the UB-04 paper claim. Blanks are not acceptable

Paper Claim Example

Electronic Claim: Required Field

Submit the POA indicator in segment K3 in the 2300 loop, data element K301 for the 8371 electronic claim submission.

Electronic Claim Examples

Electronic claim with one (1) principal and five (5) secondary diagnoses should be reported as:
POAYNUW1YZ

POA	"POA" always required first, followed by a single indicator for every diagnosis reported on the claim.
Y	The principal diagnosis is always the first indicator after "POA", In this example the diagnosis was present on admission.
N	The first secondary diagnosis was not present on admission, designated by "N".
U	It was unknown if the second secondary diagnosis was present on admission, designated by ""U".
W	It is clinically undetermined if the third secondary diagnosis was present on admission, designated by "W".
1	The fourth secondary diagnosis was exempt from reporting for POA, designated by "1".
Y	The fifth secondary diagnosis was present on admission, designated by "Y".
Z	The last secondary diagnosis indicator is followed by the letter "Z" to indicate the end of the data element.

Electronic claim with one (1) principal diagnosis without any secondary diagnosis should be reported as:
POAYZ

POA	"POA" always required first, followed by a single indicator for every diagnosis reported on the claim.
Y	The principal diagnosis is always the first indicator after "POA", In this example the diagnosis was present on admission.
Z	The letter "Z" is used to indicate the end of the data element.

Diagnosis and Procedures Codes[1]:

Serious Preventable Events	ICD-10-CM Code Description	ICD-10-CM Code and UB 04 Discharge Code
Surgical Events		
Unintended retention of a foreign object in a patient after surgery or other procedure	- Unspecified complication of foreign body accidentally left in body following unspecified procedure, initial encounter - Aseptic peritonitis due to foreign substance accidentally left during a procedure, initial encounter	T81.509A T81.61XA T81.519A T81.69XA T81.529A T81.539A
Intra-operative or immediately post-operative death in an ASA Class 1 patient	Discharge Status: Expired - Ill-defined and unknown cause of mortality	FL 17 Status 20 R99
Patient death or serious disability associated with:	Discharge Status: Expired	FL 17 Status 20
Contaminated drugs, devices or biological substances	- Contaminated / infected blood, other fluid, drug or biological substance	Y64.X
The use/function of a device used in patient care for other than intended use/function	- Endotracheal tube wrongly placed during anesthetic procedure - Failure to introduce or to remove other tube or instrument	Y65.3 Y65.4
Intravascular air embolism	- Air embolism following infusion, transfusion and therapeutic injection, initial encounter	T80.0XXA

Never Events	ICD-10-CM Code Description	ICD-10-CM Code
Surgery on Wrong Patient Surgery on Wrong Body Part Wrong Surgical Procedure	- - Performance of wrong procedure (operation) on correct patient **See Modifier Table*	Y65.51

[1] *Note: This list of codes may not be all-inclusive and is subject to change with or without notice to maintain compliance with state and federal regulations, in conjunction with any updates, changes ,additions, or deletions issued by the American Medical Association*

Serious Preventable Events	ICD-10-CM Code Description	ICD-10-CM Code and UB 04 Discharge Code
Patient Protection Events		
Infant discharged to wrong person	- Other specified misadventures during surgical and medical care	Y65.8
Patient death or serious disability associated with patient disappearance	Discharge Status: Expired, Left Against Medical Advice or Discontinued Care. - Other specified misadventure during medical care	FL 17 Status 20 Status 07 Y65.8
Patient suicide, or attempted suicide resulting in serious disability	Discharge Status: Expired - Suicide and self-inflicted injury	FL 17 Status 20 X71.X – X83.X
Care Management Events		
Patient death or serious disability associated with:	Discharge Status: Expired And / Or one of the following:	FL 17 Status 20
Medication error	- Failure in dosage during surgical and medical care	Y63.X
Blood incompatibility	- ABO incompatibility reaction due to transfusion of blood or blood products - Rh incompatibility reaction due to transfusion of blood or blood products - Other/unspecified complication following infusion, transfusion, and therapeutic injection - Mismatched blood in transfusion	T80.3XX T80.4XX T80.8XX T80.9XX Y65.0
Manifestation of poor glycemic control	- Secondary diabetes w ketoacidosis - Secondary diabetes w hyperosmolarity - Diabetic ketoacidosis - Nonketotic hyperosmolar coma - Nondiabetic hypoglycemic coma	E08.10, E09.10, E13.10 E08.01, E09.01, E13.00, E08.65 E11.69, E13.10, E10.10, E11.65, E11.69, E10.65 E11.0, E11.01, E10.69, E11.65, E10.65 E15
Failure to identify and treat neonatal hyperbilirubinemia	- Neonatal jaundice associated with preterm delivery - Neonatal jaundice, unspecified - Other specified kernicterus	P59.0 P59.9 P57.8
Pressure ulcers (decubitus ulcers)	Decubitus ulcer, Stage III and Stage IV	n/a
Spinal manipulative therapy	- Other specified complications of surgical and medical care, not elsewhere classified, initial encounter - Complication of surgical and medical care, unspecified, initial encounter	T88.8XXA T88.9XXA
Artificial insemination with wrong donor sperm or egg	- Performance of wrong procedure (operation) on correct patient	Y65.51
Mother during labor and delivery in a low-risk pregnancy	- Complication of labor and delivery, unspecified	O75.9

	- Complication of the puerperium, unspecified	O90.9

Serious Preventable Events	ICD-10-CM Code Description	ICD-10-CM Code and UB 04 Discharge Code
Environmental Events		
Patient death or serious disability associated with:	Discharge Status: Expired And / Or one of the following:	FL 17 Status 20
Electric shock or elective cardioversion	- Electrocution, initial encounter	T75.4XXA
burn incurred from any source within the facility	Burns code range	T20.X – T32.X
Fall(s)	Fracture code range Dislocation code range Intracranial injury code range Crushing injury code range Burns code range Other and unspecified effects of external causes code range Other fall from one level to another Fall from other tripping, slipping or stumbling Other and unspecified fall	S02.XX – S92.XX S01.XX – S33.XX S01.XX – S06.XX S07.XX – S97.XX T20.X – T32.X T33.X – T75.X W05.XX – W18.XX W18.49XA X00.XX – X08.XX
Use of restraints or bedrails	Asphyxiation and strangulation (*e.g. suffocation by bedclothes, pressure, constriction*) Other effects of external causes (abnormal G forces/states, weightlessness)	T71.XXXX T73.8XXA T73.9XXA T75.89XA
Incident wherein a line designated for oxygen or other gas delivery to a patient contains the wrong gas or is contaminated by toxic substances	Other specified misadventure during medical treatment (*performance of inappropriate treatment NEC*)	Y65.8

Serious Preventable Events	ICD-10-CM Code Description	ICD-10-CM Code and UB 04 Discharge Code
Criminal Events		
Patient care ordered by or provided by imposters as licensed health care providers	- Other specified misadventure during medical care - Other specified complications of surgical and medical care, NEC, initial encounter	Y65.8 T88.8XXA T88.9XXA

	- Complication of surgical and medical care, unspecified, initial encounter	
Patient abduction	- Unspecified child maltreatment, confirmed, initial encounter - Unspecified child maltreatment, suspected, initial encounter - Unspecified adult maltreatment, confirmed, initial encounter - Unspecified adult maltreatment, suspected, initial encounter	T74.92XA T76.92XA T74.91XA T76.91XA
Patient sexual assault	- Assault by other specified means, initial encounter - Child sexual abuse, suspected/confirmed, initial encounter - Adult sexual abuse, suspected/confirmed, initial encounter	Y08.89XA T74.22XA, T76.22XA T74.21XA, T76.21XA
Patient or staff member death or significant injury resulting from physical assault	Discharge Status: Expired - Assault by other specified means, initial encounter - Child physical abuse, suspected/confirmed, initial encounter - Adult physical abuse, suspected, initial encounter	20 Y08.89XA T74.12XA, T76.12XA T74.11XA, T76.11XA

Hospital Acquired Conditions	**ICD-10-CM Code Description**	**ICD-10-CM Code**
Catheter-Associated Urinary Tract Infection (UTI)	- Infection and inflammatory reaction due to indwelling urinary catheter, initial encounter	T83.51XA
Excludes the following acting as CC/MCC:		
- Candidal balanitis or other urogenital candidiasis		B37.42, B37.49
- Acute tubulo-interstitial nephritis		N10
- Renal and perinephric abscess		N15.1
- Other pyelonephritis or pyonephrosis, NOS acute/chronic		N28.84, N28.85, N28.86
- Tubulo-interstitial nephritis, not specified as acute or chronic		N12
- Renal tubulo-interstitial disorders in diseases classified elsewhere		N16
- Acute cystitis		N30.00, N30.01
- Urethral abscess		N34.0
- Urinary tract infection, site not specified		N39.0
Vascular Catheter-Associated Infection	- Unspecified infection due to central venous catheter, initial encounter	T80.219A
Surgical Site Infection, Mediastinitis, Following Coronary Artery Bypass Graft (CABG)	- Diseases of mediastinum, not elsewhere classified And one of the following procedure codes: Bypass anastomosis for heart revascularization	J98.5 36.10-36.19

Hospital Acquired Conditions	ICD-10-CM Code Description	ICD-10-CM Code
Surgical Site Infection Following Certain Orthopedic Procedures Spine Neck Shoulder Elbow	Complications of Surgical and Medical care NEC; Due to other internal orthopedic device, implant and graft Other post-op infection And one of the following procedure codes: Repair and plastic operations on joint structures	T84.60XA, T84.7XXA K68.11, T81.4XXA 81.01-81.08, 81.23-81.24, 81.31-81.38, 81.83, 81.85
Surgical Site Infection Following Bariatric Surgery for Obesity	Morbid Obesity Other post op infection And one of the following procedure codes: Lap gastroenterostomy Other gastroenterostomy Lap gastric restrictive bypass	E66.01 K68.11, T81.4XXA 44.38 44.39 44.95
Deep Vein Thrombosis and Pulmonary Embolism Following Certain Orthopedic Procedures Total Knee Replacement Hip Replacement	Latrogenic pulmonary embolism and infarction, other pulmonary embolism and infarction, venous embolism and thrombosis of unspecified deep vessels of lower extremity And one of the following procedure codes: Resurfacing hip Hip replacement Implantation of other internal limb lengthening device	I26.90, I26.99, T80.0XXA, T81.718A, T81.72XA, T82.817A, T82.818A, I26.99, I82.409, I82.419, I82.429, I82.439, I82.4Y9, I82.449, I82.499, I82.4Z9 00.85 - 00.87, 81.51 – 81.52, 84.54

Definitions:

Adverse: A negative consequence of care that results in unintended injury or illness, which may or may not have been preventable.

ASA Class 1 Patient: American Society of Anesthesiologists physical status indication of a normal healthy patient.

Avoidable Hospital Conditions: Hospital acquired conditions (HAC) which could reasonably have been prevented through application of evidence – based guidelines. These conditions are not present on admission to a hospital, but present during the course of the stay.

CC (Co-morbidity or Complication): An ICD-10-CM official convention in the tabular list of diseases, listing significant acute diseases, acute exacerbations of significant chronic diseases, advanced or end stage chronic diseases associated with extensive debility. When present as a secondary diagnosis at discharge, it will result in a higher MS-DRG.

Event: An adverse or damaging, discrete, auditable and clearly defined medical occurrence.

Health Care Acquired Conditions (HCAC): medical conditions acquired in an inpatient hospital setting that Medicare defines and classifies as a hospital-acquired conditions (HACs) in accordance to Section 1886(d)(4)(D)(iv), Section 1886(d)(4)(D)(ii), and (iv) of the Social Security Act (SSA).

- **Exceptions**: Deep vein thrombosis (DVT), Pulmonary embolism(s) (PE) that occur due to total knee replacement or hip-replacement surgery in pediatric or obstetric patients.

Hospital Acquired Conditions (HAC): The Deficit Reduction Act (DRA) of 2005 requires a quality adjustment in Medicare Severity Diagnosis Related Groups (MS-DRG) payment for certain hospital-acquired conditions requiring at least two conditions that:

- Are high cost or high volume or both;
- Result in the assignment of a case to an MS-DRG that has a higher payment when present as a secondary diagnosis, and
- Could reasonably have been prevented through the application of evidence-based guidelines.

MCC (Major Complicating Condition): An ICD-10-CM official convention in the tabular list of diseases, included in the MS-DRG prospective payment system. It is considered more intensive, and is a major and/or extensive severity rating. When present as a secondary diagnosis at discharge, it will result in a higher MS-DRG.

National Coverage Determinations (NCD): OPPC which are ***MANDATORY*** to report to Medicaid agencies as set forth and defined in 42 CFR. 447.26(b) and can include but are not limited to:

- Wrong surgical or other invasive procedure performed on a patient
- Surgical or other invasive procedure performed on the wrong body part
- Surgical or other invasive procedure performed on the wrong patient

National Quality Forum (NQF): A private organization whose membership includes the American Medical Association (AMA), and defines “Never Events” as listed below.

NEC (Not elsewhere classified): An ICD-10-CM official convention. This abbreviation in the tabular represents “other specified”. When a specific code is not available for a condition the tabular includes an NEC entry under a code to identify the code as the “other specified” code.

Never Events: Errors in medical care that are of concern to both the public and health care professionals and providers, clearly identifiable and measurable, and of a nature such that risk of occurrence is significantly influenced by the policies and procedures of the health care organization. To be included in the list the following criteria must be met:

- Unambiguous-clearly identifiable and measurable, and feasible to be included in reporting system;
- Usually preventable-recognizing that some events are not always avoidable, given the complexity of health care;
- Serious-resulting in the death or loss of a body part, disability or more than transient loss of

a body function, and

NOS (Not otherwise classified): An ICD-10-CM official convention. This abbreviation in the tabular is the equivalent of unspecified.

Other Provider Preventable Conditions (OPPC): medical conditions acquired and defined as "other provider preventable condition" in accordance to 42 CFR.447.26 (b). OPPC can occur in any healthcare setting and subsequently divided into two sub-categories:

- National Coverage Determinations (NCD)
- Additional Other Provider Preventable Conditions (Additional OPPC)

Present on Admission (POA): A condition that is present at the time the order of inpatient admission occurs. Conditions that develop during an outpatient encounter, including an Emergency Department, observation or outpatient surgery, are considered as present on admission. POA is applied to both primary and secondary diagnosis, as well as external cause of injury codes. Categories and codes exempt from reporting are late effects codes, normal delivery codes, V-codes and certain external codes (e.g. railway, motor vehicle, water transport, air and space transport.)

Preventable: An event that could have been anticipated and prepared for, but that occurs because of an error or other system failure.

Provider Preventable Conditions (PPC): medical conditions acquired and defined as "health care-acquired condition" and/or "other provider preventable condition" as defined by the Centers for Medicare & Medicaid Services (CMS) 42 CFR.447.26 (b).

Serious: An event that results in death or loss of a body part, disability, or loss of bodily function lasting more than seven (7) days, or is still present at the time of discharge from an inpatient facility; or when referring to other than an adverse event, an event the occurrence of which is not trivial.

Serious Reportable Event (SRE): An event that could have reasonably been prevented through application of evidence-based guidelines. These conditions are not present on admission, or when the patient is treated, but occurs during the course of treatment or stay.

Additional Other Provider Preventable Conditions (Additional OPPC): Additional OPPCs are medical conditions acquired and defined by MassHealth, in conjunction with 42 CFR. 447.26 (b). Provider type and specialties subject to Additional OPPC are maintained by MassHealth.

References:

CMS – Letter to State Medicaid Directors, SMDL # 08-004, July31, 2008.
http://downloads.cms.gov/cmsgov/archived-downloads/SMDL/downloads/SMD073108.pdf
CMS- Hospital Acquired Conditions (HCA) in Acute Inpatient Prospective Payment System (IPPS)

Hospitals-Overview; ICN #901045.http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalAcqCond/downloads/HACFactsheet.pdf
CMS- Present on Admission (POA) Indicator Reporting http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalAcqCond/Reporting.html
HealthyMass Serious Reportable Events Task Force http://www.mass.gov/eohhs/gov/commissions-and-initiatives/healthymass/serious-reportable-events-task-force.html
National Quality Forum, Serious Reportable Events in Health Care – 2011 Update
http://www.qualityforum.org/projects/hacs_and_sres.aspx

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July 1, 2012 Inclusion of Medicaid Provider Preventable Conditions-update to hyperlinks

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This document is designed for informational purposes only. Claims payment is subject to member eligibility and benefits on the date of service, coordination of benefits, referral/authorization/notification and utilization management guidelines when applicable, adherence to plan policies and procedures, claims editing logic, and provider contractual agreement. In the event of a conflict between this payment guideline and the provider's agreement, the terms and conditions of the provider's agreement shall prevail. Neighborhood Health Plan utilizes McKesson's claims editing software, ClaimCheck, a clinically oriented, automated program that identifies the "appropriate set" of procedures eligible for provider reimbursement by analyzing the current and historical procedure codes billed on a single date of service and/or multiple dates of service, and also audits across dates of service to identify the unbundling of pre and post-operative care. Please refer to Neighborhood Health Plan's Provider Manual Billing Guidelines section for additional information on NHP's billing guidelines and administration policies. Questions may be directed to Provider Network Management at prweb@nhp.org.