CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

Superior Systems Waiver Renewal

for October 1, 2015 through September 30, 2017

Housekeeping

- For clarity of audio, all participants calling in on the phone will be placed on mute by the webinar moderator.
- If you have questions during the webinar, expand the “Questions” pane on the Control Panel, type question in the text box below, and press send.
- Although all questions will be answered at the end of the webinar, please feel free to send any questions you may have throughout the presentation.
- Please be aware that the dial-in number may result in a charge.

Background: Superior Systems Waiver (SSW)

- The SSW provides authority for the Department of Health Care Services' (DHCS) utilization management plan for Medi-Cal Fee-For-Service acute inpatient admissions.

- The SSW includes a description of the new utilization review (UR) process in which hospitals perform their own utilization review for Medi-Cal Fee-For-Service acute inpatient admissions.

Background: Superior Systems Waiver

- The new UR process uses standardized medical review criteria software, such as InterQual® or MCG (formerly Milliman Care Guidelines).

- The current SSW expires September 30, 2015.

SSW Renewal

- DHCS must submit the SSW renewal application to the Centers for Medicare & Medicaid Services by June 30, 2015.

- The new SSW will include plans for implementation of the new UR process at Non-Designated Public Hospitals and Private Hospitals.

SSW Renewal

- DHCS plans to base this transition on electronic medical records systems and electronic means of documentation whenever possible.
- A TAR-free process is already in place at Designated Public Hospitals.
- The focus of this presentation relates primarily to the non-Designated Public Hospitals and Private Hospitals.

DHCS Draft Acute Inpatient Utilization Review (UR) Plan

- As previously discussed, admission TARs will no longer be required and instead the hospital will perform its own UR utilizing InterQual®/MCG acute criteria.

- Inpatient stays with daily TAR requirement will continue without changes:
  - Restricted Aid Codes excluding newborn and delivery stays
  - Administrative Days – Level 1 and Level 2
  - Acute Inpatient Intensive Rehabilitation
  - Hospice General Inpatient Care

DHCS Draft Acute Inpatient Utilization Review (UR) Plan

Type of Acute Inpatient Stay	Non-Designated Public Hospitals & Private Hospitals		Designated Public Hospitals
General Acute Care – Full Scope			
General acute care inpatient stay	Hospital UR for the admission utilizing InterQual®/MCG – DHCS to review a statistically valid claim sample (Previously an Admit TAR)		Hospital UR for each acute day utilizing InterQual®/MCG – DHCS to review a statistically valid sample
General Acute Care- Restricted Aid Codes			
General acute care inpatient stay	TAR every day (No change from current process)		Hospital UR utilizing InterQual®/MCG and Medi-Cal restricted aid code policy (**22 CCR § 51056)** – DHCS to review a focused statistically valid sample

DHCS Draft Acute Inpatient Utilization Review (UR) Plan - OB

Type of Acute Inpatient Stay	Non-Designated Public Hospitals & Private Hospitals	Designated Public Hospitals
Obstetrics (OB) with Delivery – Full Scope or Restricted		
OB admission with delivery that falls within AB 1397	No TAR or InterQual®/MCG required (No change from current process)	No InterQual®/MCG required
OB prolonged stays that exceed timeframe within AB 1397 (Vaginal delivery with stay greater than 2 days; C-section delivery with stay greater than 4 days)	No TAR or InterQual®/MCG required (No change from current process)	Hospital UR utilizing InterQual®/MCG for each additional acute day outside of AB 1397
Obstetrics (OB) non-delivery		
OB admission without a delivery – Full scope aid code	Hospital UR for the admission utilizing InterQual®/MCG – DHCS to review a statistically valid claim sample (Previously an Admit TAR)	Hospital UR for each acute day utilizing InterQual®/MCG – DHCS to review a statistically valid sample
OB admission without a delivery - Restricted aid code	TAR every day (No change from current process)	Hospital UR utilizing InterQual®/MCG and Medi-Cal pregnancy-related care coverage policy – DHCS to review a focused statistically valid sample

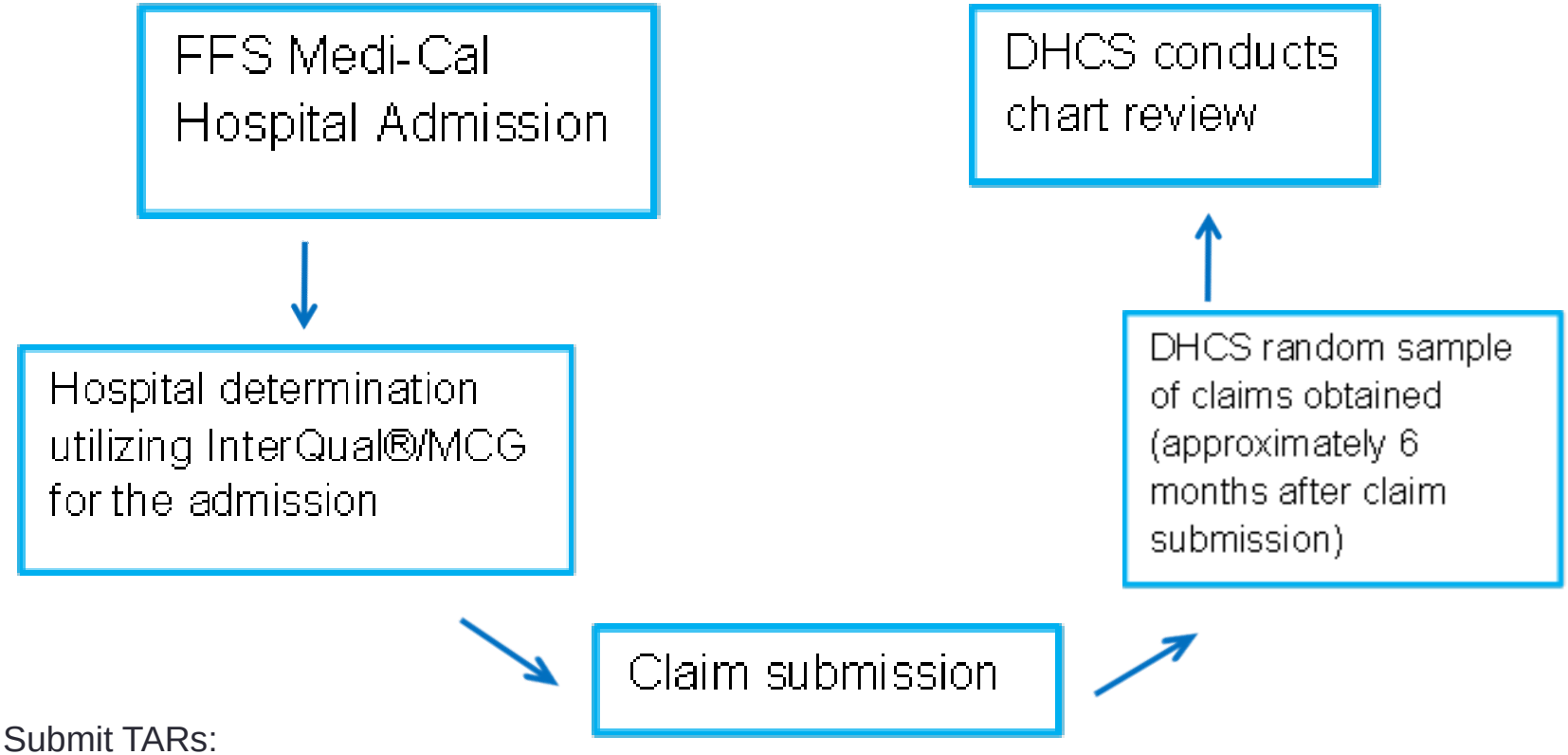
DHCS Draft Acute Inpatient Utilization Review (UR) Plan - Baby

Type of Acute Inpatient Stay	Non-Designated Public Hospitals & Private Hospitals	Designated Public Hospitals
Baby Stays		
Well baby stays - Full scope and Restricted aid code (utilizing maternal aid code)	No TAR or InterQual®/MCG required (No change from current process)	No TAR or InterQual®/MCG required, as per AB 1397
Neonate (sick baby) stays – Full scope and Restricted aid code (utilizing maternal aid code)	Hospital UR for the admission utilizing InterQual®/MCG – DHCS to review a statistically valid claim sample (Previously an Admit TAR) (Please note that this does not apply to CCS and SARs)	Hospital UR for each acute day utilizing InterQual®/MCG – DHCS to review a statistically valid sample (This applies to days not covered by CCS)

DHCS Draft Acute Inpatient Utilization Review (UR) Plan - Other

Type of Acute Inpatient Stay	Non-Designated Public Hospitals & Private Hospitals		Designated Public Hospitals
Other			
Administrative days	TAR every day (No change from current process)		Hospital UR applying Medi-Cal policy and requirements – DHCS to review a focused statistically valid sample
Acute Inpatient Intensive Rehabilitation (AIIR)	TAR every day (No change from current process)		Hospital UR utilizing InterQual®/MCG – DHCS to review a statistically valid sample (Recent change)
Hospice – General Inpatient Care	TAR every day (No change from current process)		TAR every day

UR Process



Submit TARs:

- Restricted Aid Code Stays (Non-Newborn and Non-OB Delivery)
- Administrative Days (Level 1 and 2)
- Acute Inpatient Intensive Rehabilitation
- Hospice – General Acute Care

DHCS Monitoring and Oversight for NDPHs and Private Hospitals

- Estimated impact on TAR volume:

General Acute Care Only	FY 2013/14 Estimated TAR Volume	Estimated TAR Volume under new SSW
Admission TARs	153,779	0
TARs with Daily Requirements	23,510	23,510
Total TARs	**177,289**	**23,510**

Sampling

- The proposed random sampling would be a stratified random sample across all of the NDPHs and Private hospitals that have transitioned to the use of InterQual or MCG instead of submitting Admit TARs.

- The variables would be based on a hospital's total licensed bed count (less perinatal beds) and yearly FFS admissions requiring InterQual or MCG approvals.

- There would be random sampling of cases for DHCS review within these categories monthly.

Sampling

Hospitals with up to 99 non-perinatal beds

Admission Levels

1 – 2 – 3 – 4 – 5

Low ----------> High

Hospitals with 100-299 non-perinatal beds

Admission Levels

1 – 2 – 3 – 4 – 5

Low ----------> High

Hospitals with 300 or more non-perinatal beds

Admission Levels

1 – 2 – 3 – 4 – 5

Low ----------> High

Sampling

- The intent of the stratified random sample is to ensure that there is a statistically valid random sample and that oversight is occurring at all facilities involved in this new process.

- The anticipated random sample per month will be approximately 700 cases across all NDPHs and Private hospitals.

- Again, it is possible that a hospital may not have a case for review in a given sample as these will be random within the 15 categories.

Variances

Variances are anticipated to fall into four categories:

1. The required UR process was not followed.
2. The hospital incorrectly utilized InterQual®/MCG acute criteria to authorize an admission.
3. The hospital approved a case that does not meet Medi-Cal policy.
4. DHCS disagrees with the hospital's secondary review decision.

Variances

- As previously mentioned, variances from these monthly reviews may result in a larger, hospital-specific random sampling of cases.
- Continued variances may lead to additional training, monitoring and/or referral to Audits and Investigations.
- If after the training phase there are continued issues and variances, it is possible that there would be a request for claims associated with certain stays to be voided.

Follow-Up

- Any findings or issues would be reported to the hospital with a discussion regarding the next steps (i.e. additional training or that a hospital-specific sample will be completed).

- In addition, there will be an appeal process for clinical findings.

Follow-Up

- There is a potential for referral to Audits and Investigations (A&I) if:
  - Continued issues with the UR process are identified or,
  - Claims for hospital stays are not voided as requested by DHCS or,
  - Hospital staff training issues identified by DHCS are not corrected.

- This referral to A&I would only occur after CAASD has worked with a hospital to correct issues.

Transition Plan

- DHCS anticipates that Non-Designated Public Hospitals and Private hospitals will begin transitioning to the new UR process beginning **January 1st, 2016**.

Transition Plan

- Access to hospital's Electronic Medical Records
- Submitting Participation Agreement
- Training for hospitals transitioning
- Hospital Workgroup meeting

Questions

- Questions submitted during the webinar will be answered, time permitting.

- Questions regarding the SSW Renewal process may also be submitted to the following email address after the webinar:

SSWRenewal@dhcs.ca.gov

Additional Information

- The Superior Systems Waiver Renewal Application will be posted on the Stakeholder page (link below), **Friday, May 15th, 2015**. Hospitals will have 2 weeks to submit feedback to this email address: **SSWRenewal@dhcs.ca.gov.**

- Additional information regarding the SSW Renewal, including the recorded webinar and questions and answers, is available on the **Stakeholder** page. Questions and responses regarding this webinar will also be posted at:

http://www.dhcs.ca.gov/services/medi-cal/Pages/SuperiorSystemsWaiver.aspx