

Enhanced Ambulatory Patient Grouping (EAPG) Reimbursement Methodology for Outpatient Hospital Services

-A Recap of Topics Covered and FAQ

October 2014

What We Will Cover:

- What are EAPGs?
- Why use EAPGs?
- Recap: EAPG Policy Decisions
- Recap: Implementation and Testing Information
- Recap: EAPG Schedules
- ForwardHealth Billing Updates Related to EAPG
- EAPG FAQ
- ForwardHealth Batch Process
- Contact Information
- This is an updated version to what was presented on 10/2/2014.
 - This is data as of 10/24/2014

What are EAPGs?

- Enhanced Ambulatory Patient Grouping System
 - EAPGs are a patient classification system designed to explain the amount and type of resources used in an ambulatory visit. Patients in each EAPG have similar clinical characteristics and similar resource use and cost.
 - EAPGs were developed to encompass the full range of ambulatory settings including same day surgery units, hospital emergency rooms, and outpatient clinics.
 - EAPGs cannot address nursing home services, inpatient services, or miscellaneous services like transportation.
 - EAPGs were developed to represent ambulatory patients across entire patient population, not just Medicare.

Why Use the Enhanced Ambulatory Patient Grouping System?

- Reimbursement for hospital outpatient services based on the resources required for each visit.
- Accounts for high-intensity and low-intensity services.
- Allows for greater homogeneity for comparable services across all hospital outpatient services.
- Provides a more granular and transparent payment methodology.

ForwardHealth's Decision to go to EAPG for HMOs

- Effective January 1, 2015, Outpatient and Outpatient Crossover encounters will be priced using the EAPG methodology on eligible services from Hospitals and Institutions for Mental Disease (IMDs).
 - This will impact capitation rates for services performed in CY2015.
 - ForwardHealth will be using the EAPG methodology package from the 3M Corporation.
 - HMOs are not required to purchase any software from 3M.
 - HMOs are not required to implement any type of EAPG pricing in the contracts they have with providers.
 - But, whether HMOs implement EAPG or not, ForwardHealth will use EAPG to price eligible encounters effective January 1, 2015 to align with ForwardHealth's pricing on Fee-For-Service (FFS) claims.

Implementation Information

- Implemented for Fee-for-service: April 1, 2013.
- HMO encounters: January 1, 2015.
 - CY 2014: Encounters will continue to price using rate per visit.
- State Implementation High-level Timeline
 - Training 02/01/2014 – 08/01/2014
 - Testing 08/01/2014 – 12/31/2014
 - Implementation 01/01/2015
 - Claims received on and after January 1, 2015, with FDOS prior to January 1, 2015, will not process through the EAPG System and will price at rate per visit.

Testing for EAPG Eligible Encounters

- During the testing phase, HMOs should use the TEST environment. The TEST environment remains the same as the one used for 837 encounter to gain approval to submit in production. Files should be placed in the incoming SFTP test folder and use the test Trading Partner ID.
- HMOs will be able to submit encounters into the TEST environment as of August 1, 2014
 - Any new encounter submitted with a DOS prior to 7/1/2013 will be subject to rate per visit pricing.
 - Any new encounter submitted with a DOS between 7/1/2013 through 6/30/2014 will be subject to EAPG pricing using version 3.7 of the EAPG Software.
 - The Date of Receipt (DOR) for these encounters for testing purposes needs to be 8/1/2014 or after.
 - Any new encounter submitted with a DOS on or after 7/1/2014 will be subject to EAPG pricing using version 3.9 of the EAPG Software.
 - The Date of Receipt (DOR) for these encounters for testing purposes needs to be 10/1/2014 or after. Version 3.9 will continue to be available in the TEST environment through March, 2015.

Plan for Production Environment

- All the necessary configuration will be in place in the test environment with no impact to our PRODUCTION environment until January 1, 2015.
- Effective January 1, 2015, all encounters with a Date of Service (DOS) on or after 1/1/2015 will be subject to EAPG pricing in our PRODUCTION environment.
 - Any new encounter submitted with a DOS prior to 1/1/2015 will be subject to rate per visit pricing.
 - Any new encounter submitted with a DOS on or after 1/1/2015 will be subject to EAPG pricing using version 3.9 of the EAPG Software.
- Additional information, including new Explanation of Benefits (EOBs), that were created for EAPG, can be found at:
 - <https://www.forwardhealth.wi.gov/WIPortal/Tab/42/icscontent/html/EAPG/EAPGHome.htm.spage#>

Overview of Wisconsin Specific EAPG Policy Decisions

- EAPGs apply to BadgerCare Plus, Medicaid, and Wisconsin Chronic Disease Program (WCDDP).
- There will be no change to the existing Access Payment Reimbursement Methodology for HMOs.
- There will be minimal use of grouper options to lessen provider impact.
- The goal is to align HMO and FFS reimbursement policy for outpatient services.
- HMO outpatient reimbursement in the capitation rates could be based on EAPG's starting in CY2015.
- EAPG's were developed in conjunction with Wisconsin Hospital Association and Medicaid Advisory Committee meetings.

Overview of Wisconsin Specific EAPG Policy Decisions - continued

- There are services that do not use EAPG pricing methodology. The pricing that will be applied to these services will be made available in a future presentation. Services not priced using the EAPG pricing methodology include:
 - Laboratory services
 - Durable Medical Equipment (DME)
 - Therapy Services
 - End State Renal Disease (ESRD) Services
- For more information on Wisconsin specific EAPG policy decisions, please see the full presentation posted here:
 - <https://www.forwardhealth.wi.gov/WIPortal/Tab/42/icscontent/html/EAPG/EAPGHome.htm.spage#>

EAPG Schedules

- A schedule is a collection of settings that provide processing details for a specific set of records (claims), including:
 - Grouper and Reimbursement schemes
 - Date range when the schedule applies
 - Values to use for calculating reimbursement
 - Settings specific to the grouper or reimbursement scheme

EAPG Schedules (Continued)

- A schedule exists for each hospital.
 - Most schedule settings will be the same for each hospital.
 - Some settings could be different for some hospitals, e.g. Base Rate.
 - ForwardHealth creates schedules through a batch process.
 - Contact 3M if assistance is needed in setting up a batch process.
 - Presentations for Versions 3.7 and 3.9, including screenshots are available @
 - <https://www.forwardhealth.wi.gov/WIPortal/Tab/42/icscontent/html/EAPG/EAPGHome.htm.spage#>
 - These two presentations have also been updated to include content related to ForwardHealth's Batch Process.

Enhanced Ambulatory Patient Grouping– *ForwardHealth* Updates

The following is a list of Updates that pertain to EAPG implementation:

- 2012-26, titled “Appropriate Modifiers and Most Specific Diagnosis Codes Required on Outpatient Hospital Claims.”
 - <https://www.forwardhealth.wi.gov/kw/pdf/2012-26.pdf>
- 2012-49, titled “Entering Dates for Outpatient Continuous Visits.”
 - <https://www.forwardhealth.wi.gov/kw/pdf/2012-49.pdf>
- 2012- 55, titled “Implementation of the Enhanced Ambulatory Patient Group Reimbursement Methodology.”
 - <https://www.forwardhealth.wi.gov/kw/pdf/2012-55.pdf>
- 2012-53, titled “Revenue Codes Exempt from the Procedure Code Requirement for Outpatient Hospital Services.”
 - <https://www.forwardhealth.wi.gov/kw/pdf/2012-53.pdf>

EAPG FAQs

- Here are some high level questions that have come to our EAPG mailbox that we thought were worth repeating:
 - What claim types are impacted by EAPG?
 - Answer: Outpatient and Outpatient Crossover Encounters only.
 - What Billing Provider types are impacted by EAPG?
 - Answer: 01/58 – Hospitals and IMDs, regardless of specialty.
 - Should EAPG eligible Encounters be billed differently?
 - Answer: EAPG is used to price an Encounter so there is no change in the way Encounters need to be submitted.
 - Are HMOs required to install 3M's EAPG software? What is the impact to HMOs that do not implement EAPGs on their side?
 - Answer: It is a choice to implement any EAPG software and it wouldn't have to be 3M's version. The biggest impact if you do not implement or choose a different vendor is that your results could be different than the State's ForwardHealth system. The State will be unable to fully support/explain any differences between your results and the State's.

EAPG FAQs continued

- More questions:
 - Where are NCCI and MUE Edits process, within the EAPG grouper or outside of it?
 - NCCI and MUE Edits & Audits are handled outside of EAPG and before the Encounter goes to EAPG for pricing.
 - What types of Encounters are subject to NCCI and MUE Edits & Audits?
 - Only EAPG eligible Encounters are subject to NCCI/MUE edits and audits effective 1/1/2015.
 - Where is the MaxFee schedule located?
 - <https://www.forwardhealth.wi.gov/WIPortal/Max%20Fee%20Home/Max%20Fee%20Download/tabid/80/Default.aspx>
 - Will services not pricing EAPG deny?
 - No, services that do not price EAPG will price following other methodologies like MaxFee, SYSMAN, or Percent of Billed.

EAPG FAQs continued and the ForwardHealth Batch Process

- Other questions:
 - What kinds of files should be submitted for testing?
 - Any files may be submitted to the test site but only Outpatient and Outpatient Crossover claims can potentially price EAPG if they have EAPG eligible/grouped services on them. You will receive a typical response file based on your submissions. Amidst that response file you will see EAPG EOBs, as applicable, on encounters that were impacted by EAPG. The “EAPG Implementation Testing Approach – HMOs” training available @ <https://www.forwardhealth.wi.gov/WIPortal/Tab/42/icscontent/html/EAPG/EAPGHome.htm.spage#>
 - Specifically, the 837I could contain Outpatient and Outpatient Crossover encounter claims.
 - HMOs have requested additional details regarding the ForwardHealth batch process used in the creation of multiple schedules.
 - ForwardHealth has published these details in the Wisconsin Specific EAPG Configuration training posted on the EAPG Portal located here:
 - <https://www.forwardhealth.wi.gov/wiportal/tab/42/icscontent/html/EAPG/EAPGhome.htm.spage#>
 - As previously stated, this is a custom process created by and specifically for ForwardHealth.
 - Please contact 3M to help you set up your own custom batch process.



Additional Information

- ForwardHealth Portal – Managed Care Organization.
 - Enhanced Ambulatory Patient Groups (EAPG) Information page
 - <https://www.forwardhealth.wi.gov/WIPortal/Tab/42/icscontent/html/EAPG/EAPGHome.htm.spage#>
 - Hospital EAPG rates and weights
 - <https://www.forwardhealth.wi.gov/WIPortal/Tab/42/icscontent/provider/medicaid/hospital/drg/drg.htm.spage>

Contact/Resource Information

- E-mail for EAPG questions — vedsEAPGHMO@wisconsin.gov

- 3M Contact Information

Gregg M. Perfetto - Account Manager
Applied Research
3M Health Information Systems
100 Barnes Road
Wallingford, CT 06492
(203)949-6626 (Office)
(203)949-6331 (Fax)

Thank You