#### **Medicaid Advisory Hospital Group**



Division of Medicaid Services

Bureau of Rate Setting

June 10, 2020

Wisconsin Department of Health Services

## **Agenda**

- 1. Introduction and Welcome
- 2. Hospital Payment Rate Year 2021 Updates
- 3. COVID Considerations
- 4. Potentially Preventable Readmissions
- 5. DSH Audit
- 6. Additional Updates
- 7. Questions





## Hospital Payment Rate Year 2021 Updates

- Model claims data extraction for rate setting purposes occurred week of March 18, 2020
  - Using dates of service in Federal Fiscal Year 2019 (October 1, 2018 – September 30, 2019)
- CMS HCRIS released by 03/31/2020 reflects the most currently available cost reports
- **□** Grouper versions updates:
  - APR DRG v37
  - EAPG v3.15



- APR DRG v37 Handout #1A and #1B
  - 10 new DRGs

New DRG	APR DRG Description	
027	Other open craniotomy	
029	Percutaneous intracranial procedures	
030	Percutaneous intra- and extracranial vascular procedures	
178	Other heart assist systems	
179	Defibrillator implants	
183	Percutaneous structural cardiac procedures	
539	Cesarean section with sterilization	
543	Abortion with D&C, aspiration curettage or hysterotomy	
547	Antepartum with O.R. procedure	
548	Postpartum and post abortion diagnosis without O.R. procedure	

- 6 deleted DRGs
- 17 revised DRGs



#### **APR – DRG v37 CMI Normalization**

- Goal to avoid large shifts in payment due to substantial changes in 3M's APR DRG weights. V36 and V37 are relatively stable compared to each other, but compared to historical values they are quite low
- Reasons for changes in weights
  - Data set composed of ICD 10 only claims
  - Changes in hospital utilization, charges and cost in 3M dataset

partment of Health Services

■ Changes in distribution between SOI 1/2 versus 3/4

#### **APR – DRG v37 CMI Normalization**

■ Solution – Calculate a normalization factor that will be applied to 3M's v37 APR DRG weights

#### Calculation of Normalization Factor

	Avg. APR DRG Weight Under Normalized v36	Avg. APR DRG Weight Under v37	Normalization Factor
	Α	В	C = A/B
RY 2020	0.8713 (v35)	0.6485 (v36)	1.3434
RY 2021	0.8900	0.6605	1.3475
Percent Change	2.1%	1.9%	0.3%

Transfer cases are excluded from the normalization factor calculation.



- EAPG v3.15 Handout #2
  - 88 newly added EAPG codes
  - 57 deleted EAPG codes
  - 140 revised EAPG codes



- Cost to Charge Ratio (CCR) and Wage Index - Handout #3
  - Methodology unchanged from RY 2020
    - CCR (using provider-specific file)
      - Border status hospitals will continue to receive their own CCR based on their Medicare ID
      - For Non-PPS hospitals, CCR is calculated using the base year claims cost-to-charge ratio
    - Wage Index (using CMS final rule, reflecting all adjustments including reclassification)
      - Border status providers will receive their own wage index values based on their Medicare ID
      - For Non-PPS hospitals, wage index is calculated using the average of that hospital's county's wage index weighted by total Medicaid payments



- Revenue Code Crosswalks Handout #4 and Handout #5
  - Methodology unchanged
  - Medicare-based cost center grouping with additional logic for Medicaid NICU grouping



- Rate Year 2021 HCRIS Cost Report and GME Add-On Percentage – Handout #6 and Handout #7
  - Handout includes all cost reports used in rate year 2021
  - Handout reflects GME cost as a percentage of total cost (% GME)
  - GME methodology unchanged



- Development of 2021 rates is ongoing
- Rate year review items include:
  - Inpatient outlier payment parameters (including trimpoint and thresholds)
  - Policy adjustors
  - Border status for non-acute care hospitals (Psych, Rehab, LTAC)
  - Use of normalized national weights
  - Possible use of 2 years of data for Critical Access rate calculations
- Target Rate Setting Timeline
  - August/September 2020





#### **COVID Considerations**

#### **COVID Considerations**

- Current COVID Impact
  - 3M included the new COVID-19 ICD-10 code, U07.1, into the April 1, 2020 release
  - 3M HIS APR v37 logic update to include new vaping code and COVID19 diagnosis code effective April 1 2020
  - Working on summary of COVID-19 Coding and Grouping for HCPCS/CPT Codes, EAPGs, APR-DRG Mapping, and ICD-10 Diagnosis Code(s)



#### **COVID Considerations**

- The department will review how COVID will impact future rate setting and PPR decisions
  - Current rate development for RY 2021 will not be impacted because the base data (FFY 2019) does not include COVID cases
  - Will review impact of reduced utilization and COVID cases for future rate years
  - Will evaluate PPR benchmarking going forward





# Potentially Preventable Readmissions (PPR) Dashboard

#### State-wide PPR Rate trend

PPR Rate	CY 2017	MY 2018	MY 2019
FFS	7.55%	7.21%	7.21%
HMO: BC PLUS	4.25%	4.24%	4.23%
HMO: SSI	11.12%	12.42%	12.00%
Total FFS and HMO	5.59%		



## **CY 2017 State-wide PPR summary**

CY 2017			30-Day Potentially Preventable Readmissions (PPR)	PPR Rate
FFS	31,646	2,583	3,585	7.55%
HMO: BC PLUS	62,873	2,789	3,766	4.25%
HMO: SSI	3,485			
Total FFS and HMO	98,004			



## MY 2018 State-wide PPR summary

MY 2018	Admissions	Initial	30-Day Potentially Preventable Readmissions (PPR)	PPR Rate	Goal PPR Rate for MY
FFS	28,229	2,193	2,988	7.21%	6.98%
HMO: BC PLUS	61,495	2,722	3,565	4.24%	
HMO: SSI	5,302	752	1,115	12.42%	
Total FFS and HMO	95,026	5,667	7.668	5.63%	



## MY 2019 State-wide PPR summary

MY 2019	Admissions	Initial	30-Day Potentially Preventable Readmissions (PPR)	PPR	Goal PPR Rate for MY
FFS	26,849	2,086	2,837	7.21%	7.12%
HMO: BC PLUS	59,241	2,616	3,459	4.23%	
HMO: SSI	5,928	808	1,188	12.00%	
Total FFS and HMO	92,018	5,510	7.484	5.65%	



#### **PPR Dashboard**

- Providers have access to the Potentially Preventable Readmissions online dashboard
- Interactive dashboard contains:
  - FFY 2016
  - FFY 2017
  - Measurement Year (MY) 2018
  - MY 2019
  - MY 2020 Q1
- MY 2019 uses:
  - FFY 2017 benchmark at 92.5%
  - Withhold amount at 3.0%



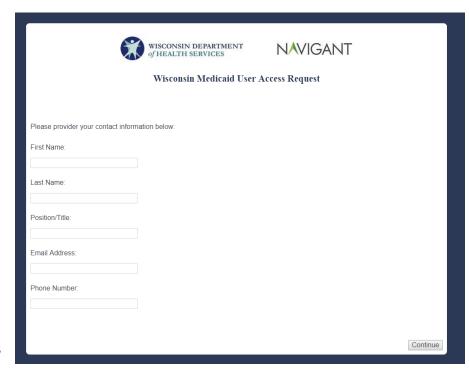
#### **PPR Dashboard**

- Registration and Access Process:
  - 1. Register using registration link
  - Post-registration DHS approves or denies registrants
  - 3. Navigant creates an account for each approved user and sends out user login credentials via an encrypted email
  - 4. New user enrolls and changes password
  - User now has access to interactive dashboard



## PPR Dashboard Access- Registration

- 1) Register using the link below:
  - Only one account will be allowed per hospital/HMO
  - Registration Link:
    <a href="https://navigantmarketing.co1.qualtrics.com/jfe/form/SV\_6P73Ltf9FVLVZg9">https://navigantmarketing.co1.qualtrics.com/jfe/form/SV\_6P73Ltf9FVLVZg9</a>



\*First screen of registration

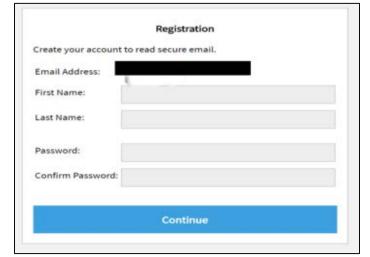


## PPR Dashboard Access- Encrypted Email

2) Upon state approval, you will receive an encrypted email with a username and password



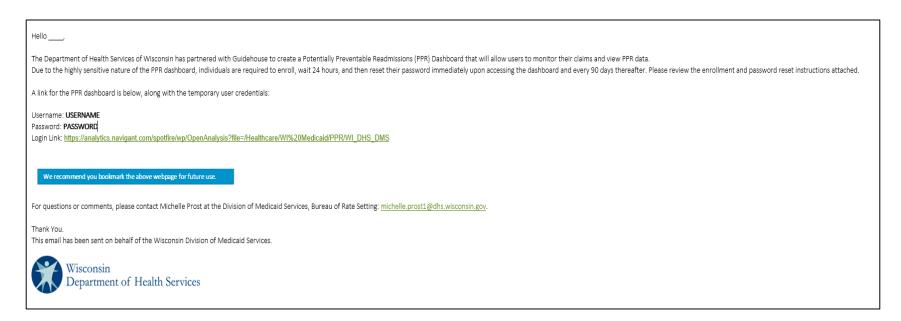
3) After clicking the link in the encrypted email, you will be required to sign up for Guidehouse's secure portal in order to view your username and password





#### PPR Dashboard Access-Initial Login

4) The formerly encrypted email will contain your username and password as well as a link to access the dashboard





#### PPR Dashboard Access-Initial Login

5) Navigate to the dashboard login with your username and password and log in

	auidehouse	
U	sername	
P	assword	
Guide	e reviewed, understand, and agree to comply with the ehouse Privacy Policy me logged in  Log in	
How to Enroll?	Enroll in Password Management   Forgot Password	
If you have trouble logging in, please call (800) 483-2393 or (312) 583-5885		
This site is restricted to authoriz	ted users for lawful purposes and Guidehouse monitors use of this site.	
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#### PPR Dashboard -Password reset

6) To reset your password, click on the 'Forgot Password' link on the login page.



7) You will be brought to a portal to change your password. Enter your username on the below screen. Click OK.

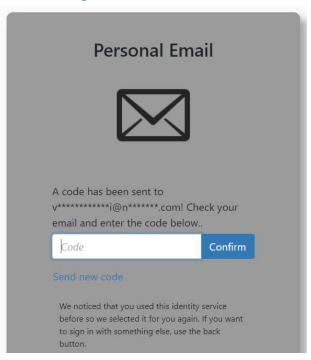




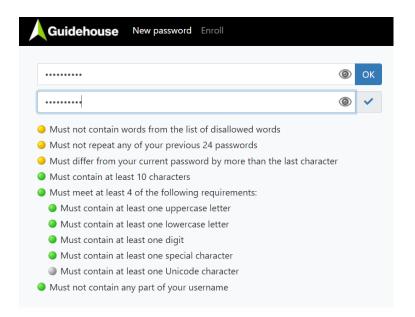
# PPR Dashboard Access- Password Change 9) Enter the code in ema

8) You will receive an email from <a href="mailto:Authentication@specopssoft.com">Authentication@specopssoft.com</a> with a code to the email address that was used for account registration.

If email is not received check Spam folder in you mailbox.



9) Enter the code in email. Click confirm and you should be prompted to enter new password. Enter new password and click OK. Your password should now be reset.





#### PPR Dashboard Access- Read Me

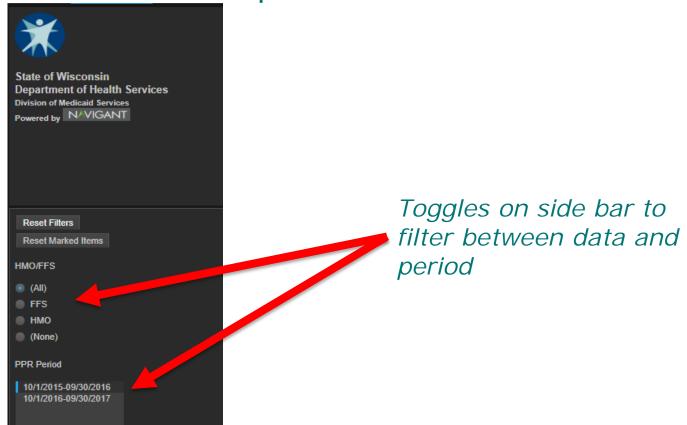
10) After logging on to the PPR dashboard, a "Read Me" tab will contain information on changing your password or resetting it





#### PPR Dashboard Access-Initial Login

11) When using the dashboard you will need to select filter options to review data





#### **PPR Dashboard FAQ**

- **□** Troubleshooting FAQ:
  - Confirm that your organization does not block the PPR Dashboard website
  - Save username and password in a secure and safe place
  - Bookmark dashboard login page
  - Password must be changed every 90 days
  - In order for data to populate, you must select a time period filter (see previous slides)



#### **PPR Dashboard Schedule**

■ Data delivery schedule (P4P Guide)

Deliverable Date:	Deliverable:
5/15/2020	<ul> <li>Quarterly PPR Report (1/1 – 3/1)</li> <li>Preliminary Annual Report (MY19)</li> </ul>
8/15/2020	<ul> <li>Quarterly PPR Report (4/1 – 6/30)</li> <li>Final Annual Report (MY19)</li> </ul>
9/30/2020	<ul> <li>MY 2019 PPR payouts scheduled to occur by this date</li> </ul>
11/15/2020	<ul> <li>Quarterly PPR Report (7/1 – 9/30)</li> </ul>
2/15/2021	Quarterly PPR Report (10/1-12/31)





## **DSH Audit**

#### **DSH Audit**

- SFY17 audit in process
  - Examination results will be communicated to hospitals in August and September
- □ SFY18 audit timeline
  - Plan to send out surveys and data between October and November





- Access Payments:
  - SFY 2021 access payments are currently being modeled
  - DHS is planning to implement the new SFY 2021 access payments on July 1<sup>st</sup> or shortly after
  - The Department will be sending out the updated FFS rates in the upcoming weeks



- Pay-for-Performance: Health Information Exchange
  - 2019 WI Act 185 requires the Department to incentivize participation in health information data sharing
  - Begins in the 2021 rate year
  - More information will be shared with WHA and hospitals as the Department continues to work on policy development



■ As a reminder the fourth quarter DSH payment usually paid out in June has already occurred. Final payout and recoupment adjustments will be made next week.



- Emergency Room Copay
  - 2017 Wisconsin Act 370 requires an \$8 copay for non-emergent ER visits by childless adults
  - Implemented February 1, 2020
  - Copays temporarily suspended from January 1, 2020 June 30, 2020
  - Additional ForwardHealth update with EMTALA clarifications forthcoming based on WHA and hospital feedback





## **Questions**

#### Questions

All questions can be sent by email to: <a href="mailto:DHSDMSBRS@dhs.Wisconsin.gov">DHSDMSBRS@dhs.Wisconsin.gov</a>

