

NOTICE OF PUBLIC INFORMATION

1. Name of the agency: Arizona Health Care Cost Containment System (AHCCCS)

2. The Subject of this notice: Nonpayment by AHCCCS for Provider Preventable Conditions

3. The public information relating to the subject:

Section 2702 of the Affordable Care Act and federal regulation 42 CFR 447.26 prohibit Medicaid programs from reimbursing providers for services resulting from "provider preventable conditions" (PPCs). Current state administrative rules already provide that services that are not eligible for federal reimbursement are not covered as part of the AHCCCS program. A.A.C. R9-22-202(B). Consistent with these requirements, the AHCCCS Administration is proposing policies to [clarify the](#) implementation of these provisions as they relate to provider preventable conditions effective July 1, 2012 as mandated by federal law. These policies specify that beginning on and after July 1, 2012, the AHCCCS Administration and its Managed Care Contractors shall review and process claims utilizing the list of PPCs below. The policies also specify that reimbursement shall not be made to providers for PPCs.

PPCs are comprised of two categories: 1) health care acquired conditions (HCACs) and 2) other provider preventable conditions (OPPCs). The procedures which are considered HCACs and OPPCs are listed below.

HCACs

HCACs are defined as conditions identified by Medicare as Hospital Acquired Conditions (HACs) occurring in the *inpatient* hospital setting which includes any of the following:

- Retained foreign object following surgical procedures;
- Air embolism;
- Blood incompatibility;
- Stage III and IV pressure ulcers;
- Injuries resulting from falls and trauma;
- Catheter associated urinary tract infections;
- Vascular catheter associated infections;
- Manifestations of poor glycemic control;
- Mediastinitis following coronary artery bypass graft (CABG) procedures;
- Surgical site infections following orthopedic surgery procedures involving spinal column fusion or re-fusion, arthrodeses of the shoulder or elbow, or other procedures on the shoulder or elbow;
- Surgical site infections following bariatric surgery procedures;
- Deep vein thrombosis or pulmonary embolism following total hip or knee procedures, *except* in pediatric or obstetrical patients.

Inpatient hospitals will not be paid any incremental or additional fees for treating an HCAC that is not present on admission to the facility, regardless of the cause of the HCAC. No reduction in payments will be assessed if the HCAC is present on admission or if the identification of the HCAC would not otherwise result in additional payments to the provider. The amount not paid

to the facility is limited to the additional payments that would otherwise be paid for the treatment of and related to the HCAC..

OPPCs

OPPCs may occur in either the inpatient or outpatient setting. "Outpatient" is not limited to hospital outpatient departments but may include other outpatient settings, such as a clinic, Ambulatory Surgical Center (ASC), Federally Qualified Health Center, or physician's office. When an OPPC occurs in either the inpatient or outpatient setting, payments for the services resulting in the OPPC will not be made to either the facility in which the OPPC occurred or to the professionals involved in performing the procedure that resulted in the OPPC. AHCCCS proposes to define an OPPC as any one of the following procedures:

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

The estimated expected fiscal impact associated with the implementation of this proposal is approximately \$75,000 in decreased total expenditures for the time period of July 1 through September 30, 2012. The AHCCCS Administration anticipates that the decrease in total expenditures to be less than \$300,000 for the federal fiscal year beginning October 1, 2012. This proposal implementing the federal mandate is a quality initiative with minimal estimated cost savings.

Additional information regarding PPCs is available on the AHCCCS internet website at: <http://www.azahcccs.gov>

4. A list of previous notices published in the Arizona Administrative Register relating to the notice of public information.

None

5. The name, address, and telephone number of agency personnel to whom questions and comment on the subject may be addressed:

Name: Mariaelena Ugarte
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6. Public comments relating to the notice of public information.

Please send comments to the contact listed above by 5:00 p.m., June 4, 2012.