



IMPACT WEEKLY **NEWS**

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Louisiana Hospital Association

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Notices:

REGISTER NOW FOR SUMMER CONFERENCE: [Register online](#) for LHA's Annual Meeting & Summer Conference, which is scheduled for July 17-19, 2017 at the Perdido Beach Resort in Orange Beach, AL. You may also book your hotel room by calling 1-800-634-8001, or by going [online](#). LHA's room block is open until June 15, 2017; however, the block may fill up before that date, so please book early. You won't want to miss this year's lineup of speakers and timely information.

FUNDRAISING: Join us at the LHA Conference Center in Baton Rouge on April 21 for "Maximize Your Fundraising! Give Your Development Program a Jolt for Better Performance and Get an Edge to Boost Revenue," a jam-packed, interactive session where the group will explore the highlights of a healthy annual giving program, including major gifts, corporate giving and grants. Download a brochure, and [register online today](#).

HPP TRADITIONAL GRANT FINAL DOCUMENTATION DEADLINE: All EMS providers and hospitals participating in the FY 2016-2017 HPP grant are reminded that May 15, 2017 is the final deadline to submit documentation for reimbursement. Any questions should be directed to your DRC or a member of the HPP grant staff at 225-927-1228.

UPCOMING EDUCATION PROGRAMS & WEBINARS:

- April 18 [LHA Payor Day – Medicaid: Administrative, Billing & Revenue Focus](#) (Baton Rouge)
- April 18 [Coding for Transitional Care Management & Chronic Care Management](#) (Webinar)
- April 20 [Managing Multiple Priorities: Gain Control of Your Work Demands & Time](#) (Webinar)
- April 21 [Maximize Your Fundraising & Get an Edge to Boost Revenue](#) (Baton Rouge)
- April 27 [ICD-10-CM Coding for Severity Risk Adjustment](#) (Baton Rouge)
- April 27 [A New Law for Hospitals: Discrimination; Interpreter & More: Complying with Section 1557](#) (Webinar)
- April 27 [Chargemasters - Enhancing Revenue & Compliance](#) (Webinar)
- May 2 [Medical Device Risk Management and Assessment Methods](#) (Webinar)
- May 3 [Joint Commission Infection Control 2017 Update](#) (Baton Rouge)
- May 3 [Using Data Science to Influence Population Health](#) (Webinar)
- May 4 [HCPCS Level I, Level II & More](#) (Baton Rouge)
- May 4 [Reducing Catheter-Associated Urinary Tract Infections](#) (Webinar)

- May 9 [How Smart Healthcare Leaders Are Building Their Talent Pipeline](#) (Webinar)
 - May 10 [Healthcare Finance for Non-Financial Managers](#) (Baton Rouge)
 - May 11 [Diversity & Inclusion AND Internal Customer Service](#) (Baton Rouge)
 - May 16 [LHA Payor Day – Commercial Payors: Administrative, Billing & Revenue Focus](#) (Baton Rouge)
 - May 16 [Confidentiality of Substance Use Disorder Patient Records](#) (Webinar)
 - May 17 [Audit & Accounting](#) (Brochure Coming Soon - Baton Rouge)
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Articles:

Legislative Session Update

The legislative session is off to a quick start. During the first week of session, the LHA testified in opposition to two separate medical malpractice bills, [HB 526](#) by Rep. Eugene Reynolds (D-Minden) and [HB 51](#) by Rep. Stephen Pugh (R-Ponchatoula), that proposed to make a number of concerning changes to the Medical Malpractice Act, including changing the limitation on damages. Jennifer McMahon, LHA vice president of government relations, testified in opposition to the legislation, expressing the LHA's concerns to the members of the House Civil Law Committee that drastic changes to the law without comprehensive consideration of the consequences could lead to systematic failure, making malpractice insurance unaffordable for healthcare providers and limiting patients' access to care. In addition, McMahon testified that "the fundamental public policy reason behind the act was to design a system that provides affordable healthcare that also allows Louisiana to attract and keep healthcare professionals in the state treating patients." Because of the concerted effort of the hospital industry, along with other healthcare provider stakeholders, the House Civil Law Committee ultimately deferred both pieces of legislation. The LHA would like to sincerely thank Bill Scott of Watson, Blanche, Wilson & Posner and Tara Bourgeois of Mang, Bourgeois & Callaway for their efforts in helping to defeat this legislation.

Last Thursday, the LHA Board of Trustees voted on final positions for legislation. We encourage you to visit the [advocacy page](#) on the LHA website for an updated [tracking list](#) for all legislation that details where bills are in the legislative process, along with links to amendments, votes and other legislative information.

THIS WEEK, the legislature is scheduled to take action on the following bills of interest to the LHA (note that some committee agendas were not posted at the time of publication):

HOUSE OF REPRESENTATIVES

Appropriations:

- Tuesday, April 18 and Wednesday, April 19: The committee will be receiving public testimony on [HB 1](#) by Rep. Cameron Henry (R-Metairie).

Ways and Means:

- Wednesday, April 19: Originally scheduled last week but cancelled so that legislators could go home early for Easter, the committee will review and discuss legislation related to sales tax. There are a number of bills on the [agenda](#), and it is unlikely action will be taken on any specific legislation. The LHA is generally opposed to the imposition of any additional sales taxes that impact hospitals. Additionally, the LHA will be advocating strongly for the restoration of the sales tax exemption for medical devices. LHA President & CEO Paul Salles wrote a [Letter to the Editor](#) that was published last week in The Advocate to help draw attention to this issue, and the LHA also posted a [social media video](#) featuring a heart attack survivor asking lawmakers to repeal Louisiana's new state sales tax on medical devices.

House and Governmental Affairs:

- Wednesday, April 19: [HB 90](#) by Rep. Michael Danahay (R-Sulphur) would allow for public employees to receive donations to provide aid or to offset losses resulting from a gubernatorial declared disaster or emergency. The LHA supports this legislation.

Health and Welfare:

- Wednesday, April 19: [HB 492](#) by Rep. Tanner Magee (R-Houma) is LHA-sponsored legislation that provides for a standardized independent review process for claims denied by Healthy Louisiana plans. Please review the list of committee members [here](#). If your representatives are on this list, please contact them, and ask them to SUPPORT HB 492! The full committee agenda can be found [online](#). (Greg Waddell, gwaddell@lhaonline.org)

Hospital Assessment Implementation Update

Last week, the Louisiana Department of Health (LDH) received the final approval from the Centers for Medicare and Medicaid Services (CMS) on the HCR 51 rate increases effective Jan. 1, 2017. We will continue to monitor the Louisiana Medicaid [website](#) for the revised schedules to be posted. Molina will begin the fee-for-service (FFS) claims recycling process once the new schedules are loaded, and we will provide additional information on that front as it becomes available. For Medicaid managed care, we recommend that you validate your revised rates with contracted plans, if applicable, and their respective timeframes for recycling. Now that both the HCR 51 rate increases and assessment have been approved by CMS, LDH will begin invoicing hospitals for the first calendar year quarter of the assessment. As a reminder and as per the Department-issued Potpourri in the [December 2016 edition](#) of the *Louisiana Register*, the first quarter assessment will be 0.13% of cost report year 2015 net patient revenue. In addition, LDH will be publishing [the next quarter's assessment](#) amount in the Potpourri section of the April 2017 *Louisiana Register*, and that amount will be 0.14% of cost report year 2015 net patient revenue. (Kevin Bridwell, kbridwell@lhaonline.org)

CMS finalizes policies aimed at stabilizing Health Insurance Marketplaces

On Thursday, CMS issued a [final rule](#) designed to help stabilize the Health Insurance Marketplaces. The rule finalizes changes related to special enrollment periods; guaranteed issue; actuarial value; network adequacy; and open enrollment periods. The new policies are intended to reduce the administrative burden on plans, reduce adverse selection to improve the risk pools, and facilitate consistency in plan structure and pricing from one year to the next. In a statement released by the American Hospital Association (AHA), Executive Vice President Tom Nickels [said](#) the AHA remains “deeply concerned that the most critical challenge facing the marketplaces today is unresolved: assurance that funding for cost-sharing reductions will be available to insurers.” The AHA recently shared this concern with the Trump [Administration](#) and [Congress](#) and urged them to work together to ensure such funding is available. (Excerpts from *AHA News Now*)

La. Medicaid to correct payment for certain laboratory services codes

Last week, Louisiana Medicaid posted a [notice](#) that hospital revenue codes (HR) 300 through 319 for laboratory services were not paid correctly. They should have been priced based on the HCPCS submitted on the claim but instead were being paid on cost-to-charge ratio. In addition, some claims were not being edited for correct HCPCS that are required to be billed with these revenue codes. Adjustments have been made to correct this issue, which began with the June 28 Remittance Advice. As a result, previously-processed claims containing HR 300 through 319 will be recycled or adjusted on the remittance advice of April 11, 2017 without any action required on behalf of the provider. Questions regarding this message should be directed to Molina Provider Relations at 800-473-2783 or 225-924-5040. (Kevin Bridwell, kbridwell@lhaonline.org)

La. Medicaid publishes Behavioral Health Services Provider Manual

Louisiana Medicaid has published the [chapter](#) of the Behavioral Health Services Provider Manual associated with provider qualifications and requirements for the provision of Specialized Behavioral Health Services (SBHS). This chapter replaces previously-published provider qualifications and requirements found in the Louisiana Behavioral Health Partnership (LBHP) [Service Definitions Manual](#) (Version 9, 8.15.14). The remaining updates to this manual will be forthcoming. Medicaid Provider Manuals may be accessed via the LA Medicaid Provider Manual [webpage](#). (Kevin Bridwell, kbridwell@lhaonline.org)

LHA offers ICD-10-CM coding course focused on severity risk adjustment

By now, coders are more comfortable with coding in ICD-10 and are ready to kick it up a notch. As penalties are being placed on facilities for performance, hospitals need to make sure they are accurately painting a picture of how sick our patients really are. On April 27, the LHA is offering “ICD-10-CM Coding for Severity Risk Adjustment” at the LHA Conference Center in Baton Rouge. The presenter will cover what diagnoses and chronic conditions impact physicians’ decisions when treating the patient; diagnoses that impact public reporting, such as readmissions and mortalities; physician profiling; and overall Medicare spending. Participants will also look at how queries and clinical documentation improvement processes play a role in increasing the risk factors and decrease potential denials. Download a brochure for more details, and [register online today](#). (Merle Francis, mfrancis@lhaonline.org)

CMS releases FY 2018 inpatient PPS proposed rule

CMS last week issued its hospital inpatient prospective payment system (PPS) [proposed rule](#) for fiscal year (FY) 2018. The rule would increase rates by 1.6% in FY 2018 compared to FY 2017, after accounting for inflation and other adjustments required by law. The proposed rule includes an initial market-basket update of 2.9% for those hospitals that were meaningful users of electronic health records (EHR) in FY 2016 and that submit data on quality measures, less a productivity cut of 0.4% and an additional market-basket cut of 0.75%, as mandated by the Affordable Care Act (ACA). CMS also proposes an increase of 0.4588% to partially restore cuts made as a result of the American Taxpayer Relief Act of 2012 requirement that the agency recoup what it claims is the effect of documentation and coding changes from FYs 2010-2012, which CMS says do not reflect real changes in case mix. In addition, the agency proposes a cut of 0.6% to remove the one-time, temporary adjustment that it made in FY 2017 to restore the unlawfully instituted two-midnight policy cuts. The rule also includes ACA-mandated Medicare Disproportionate Share Hospital (DSH) reductions; however, due to CMS's proposal to use data from its National Health Expenditure Accounts, instead of from the Congressional Budget Office, to estimate the percent change in the rate of uninsurance, overall Medicare DSH payments would increase by about \$1 billion in FY 2018 compared to FY 2017. CMS also proposes a three-year transition, beginning in FY 2018, to using Worksheet S-10 data to determine the amounts and distribution of uncompensated care payments. For FY 2018, the agency proposes to modify the EHR reporting periods for new and returning participants attesting to CMS or their state Medicaid agency from the full year to a minimum of any continuous 90-day period during the calendar year. For the FY 2019 Hospital Readmissions Reduction Program, CMS proposes to implement the socioeconomic adjustment approach mandated by the 21st Century Cures Act. The agency would assess readmission penalties based on a hospital's performance relative to other hospitals with a similar proportions of patients who are dually eligible for Medicare and Medicaid. For the FY 2019 inpatient quality reporting program, CMS proposes to reduce the number of electronic clinical quality measures hospitals must report, and to shorten the data reporting period. The agency also proposes various updates to the measures and scoring approach for the hospital value-based purchasing program, Hospital-Acquired Conditions Reduction Program and the quality reporting programs for inpatient psychiatric facilities and PPS-exempt cancer hospitals. The proposed rule will be published in the April 28 *Federal Register*, and comments will be accepted through June 13. (Reprinted from *AHA News Now*)

CMS issues LTCH PPS proposed rule for FY 2018

CMS last week issued its long-term care hospital (LTCH) PPS [proposed rule](#) for FY 2018. Under the proposed rule, traditional LTCH PPS rates would increase by a net of 0.4%, while payment rates for site-neutral cases would decrease by a net of 22%. After accounting for all the rule's provisions, LTCH payments are estimated to decrease by 3.75% (\$173 million) compared to FY 2017 payment levels. In addition, during FY 2018, CMS proposes a regulatory moratorium on the 25% Rule so that it can evaluate whether the policy is still needed; this proposal would increase payments by \$65 million. In addition, CMS proposes to pay all short-stay outlier cases a graduated per diem that blends the IPPS and LTCH amounts to remove the financial incentive to delay discharge. The rule also proposes a number of changes to the FY 2020 LTCH Quality Reporting Program. Specifically, the agency would add measures assessing pressure ulcer changes, compliance with a spontaneous breathing trial, and ventilator liberation rates. CMS also proposes to remove an existing pressure ulcer measure, and a measure assessing all-cause readmissions within 30-days of LTCH discharge. In addition, CMS would require LTCHs to collect certain standardized patient assessment data beginning with LTCH admissions on or after April 1, 2018 to meet the requirements of the Improving Medicare Post-Acute Care Transformation Act of 2014. The proposed rule will be published in the April 28 *Federal Register*, and comments will be accepted through June 13. (Reprinted from *AHA News Now*)

Louisiana Register Highlights

- There were no healthcare-related postings this week.

Federal Register Highlights

- There were no healthcare-related postings this week.
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If you did not receive this e-mail directly and would like to be placed on our e-IMPACT mailing list, send your name, title, and hospital or organization name, along with your e-mail address, to Meaghan Musso at mmusso@lhaonline.org with "add me to e-IMPACT mailing list" in the subject line.

Contact Impact Weekly's editor, Michelle Clement, APR, at mclement@lhaonline.org with your feedback and suggestions.

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