

APPLYING DRG POLICY

(For A/R who does not have Medicare Part A)

Situation:	How to apply DRG policy:
1. PLA applicant has hospital stay which begins in the retro month and continues into the ongoing cert period.	1. Hospital stay can only be used to authorize one c.p. (retro or ongoing). If authorized for retro, entire “stay” is covered and client must provide other bills to meet ongoing deductible. If authorized for ongoing, the entire stay is covered but the deductible balance is the six months deductible. General Rule: If a client is authorized for one day of a hospital stay, the entire stay is covered and cannot be used to authorize a different certification period (either retro or ongoing).
2. PLA client was in hospital during month she comes in to apply.	2. Client still has choice of whether to apply for ongoing now or return for retro. IMC must explain deductibles, reserve, etc.
3. Client was in hospital one month and went to nursing facility after the first day of the next month.	3. Authorize PLA on date of admission to the hospital. Refer to F & C section MA-3325 and MAABD section MA-2270 for procedures when an a/r is admitted to a NF.
4. Psychiatric inpatient hospital (including PRTF) during retro month which continues into the ongoing cert period.	4. Client must apply for both retro and ongoing since these services are still paid per diem. Authorize for retro on date of admission with retro deductible balance. Authorize ongoing on first day of c.p. with six month deductible balance.
5. CAP client has hospital stay	5. Authorize on date of admission with one month deductible balance. Since CAP clients have monthly deductibles, IMC <u>cannot</u> give 6 month deductible and authorize for full c.p. If hospital stay occurs during two months, the authorization in the first month “covers” the entire stay and the client must have other bills to meet deductible in second month.
6. Client has hospital stay but is over reserve until sometime during the stay but after the date of admission.	6. Authorize on the date reserve is reduced with the deductible balance you would have used to authorize on the date of admission.
7. Client has hospital stay but is over reserve until after discharge from the hospital.	7. Apply to the deductible the amount client is responsible for paying (Medicare deductible/daily charges). Since the stay is not covered by Medicaid, DRG does not apply . Continue applying medical bills until the deductible is met.
8. Couple both receive M-AABD and one is hospitalized.	8. Authorize both individuals on the date of admission. Assign the deductible balance to the spouse who is hospitalized. Assign a “0” deductible balance to the non-hospitalized spouse.

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(cont'd)

<p>9. A financially responsible a/r has an inpatient stay. (Ex: MAD father has hospital stay and children have MAF deductible)</p>	<p>9. Authorize the MAD case on the date of admission. Apply the amount of the deductible balance used to authorize the father as a medical expense toward the MAF deductible.</p>
<p>10. Recipient in sixth month of cert period has hospital stay which continues into the next cert period.</p>	<p>10. Since the client is certified, you must authorize on the date of admission. The entire hospital stay is covered in the first cert period and the client must provide other expenses to meet deductible in next cert period. Client cannot choose to “use” admission in next cert period. See #1 for applicants.</p>
<p>11. Acute care facility admission occurs in one CP and a second admission (transfer) occurs in the next CP for which a/r has deductible.</p>	<p>11. Authorization must be for both dates of acute care facility admission. Authorize effective the date of admission to the 2nd hospital with a deductible balance that is the amount of the deductible remaining to be met for the ongoing c.p. Remember, the a/r may have bills other than the hospital which need to be considered when determining deductible balance remaining.</p>