

**SUMMARY OF
EPISODES OF CARE 1-16 AND STATE PLAN AMENDMENT # 2016-001**

Effective October 1, 2016 Arkansas Medicaid proposes to add Hysterectomy episodes to the Episodes of Care Medicaid manual and Arkansas State Plan to incentivize improved care quality, efficiency, and economy. The program uses Medicaid paid claims data to evaluate the quality, efficiency, and economy of care delivered in the course of the episode, and to apply payment incentives.



Division of Medical Services
Program Development & Quality Assurance

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TO: Arkansas Medicaid Health Care Providers – Episodes of Care

EFFECTIVE DATE: October 1, 2016

SUBJECT: Provider Manual Update Transmittal EPISODE-1-16-HYSTER

REMOVE

| Section | Effective Date |
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| Section | Effective Date |
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| 222.000 | 10-1-16 |
| 222.100 | 10-1-16 |
| 222.200 | 10-1-16 |
| 222.300 | 10-1-16 |
| 222.400 | 10-1-16 |
| 222.500 | 10-1-16 |
| 222.600 | 10-1-16 |
| 222.700 | 10-1-16 |

Explanation of Updates

Sections 222.000, 222.100, 222.200, 222.300, 222.400, 222.500, 222.600 and 222.700 are added to provide information pertaining to the hysterectomy episode of care.

The paper version of this update transmittal includes revised pages that may be filed in your provider manual. See Section I for instructions on updating the paper version of the manual. For electronic versions, these changes have already been incorporated.

If you have questions regarding this transmittal, please contact the Arkansas Payment Improvement Initiative Center at 1-866-322-4696 (Toll-Free) within Arkansas or locally and Out-of-State at (501) 301-8311.

If you need this material in an alternative format, such as large print, please contact the Program Development and Quality Assurance Unit at (501) 320-6429.

Arkansas Medicaid provider manuals (including update transmittals), official notices, notices of rule making and remittance advice (RA) messages are available for downloading from the Arkansas Medicaid website: www.medicaid.state.ar.us.

Thank you for your participation in the Arkansas Medicaid Program.

Dawn Stehle
Director

TOC required

222.000 HYSTERECTOMY EPISODES**222.100 Episode Definition/Scope of Services****10-1-16****A. Episode subtypes:**

There are no subtypes for this episode type.

B. Episode trigger:

Episode is triggered by abdominal, vaginal or laparoscopic hysterectomy procedure and a primary diagnosis indicating conditions related to hysterectomy.

C. Episode duration:

Episode begins on the date of service of the first consultation with a PAP within 60 days prior to the hysterectomy procedure and ends 60 days after discharge from facility.

D. Episode services:

The following services are included in the episode:

1. Within 60 days prior to procedure: All consultations and appointments with performing provider and any related services including laboratory, radiological and diagnostic procedures related to the diagnosis resulting in a hysterectomy
2. During procedure: Hysterectomy surgery, professional services and related care (i.e., inpatient and outpatient facility services, professional services, related medications, treatment for complications)
3. All cause readmissions from facility discharge day 1 through day 3
4. Relevant complications from day 4 through day 30
5. Within 60 days post-procedure: Related services (i.e., outpatient facility services, professional services, related medications, treatment for complications)

222.200 Principal Accountable Provider**10-1-16**

For each episode, the Principal Accountable Provider (PAP) is the primary surgeon performing the hysterectomy.

222.300 Exclusions**10-1-16**

Global exclusions from Section 200.300 are applied to this episode.

Episode specific exclusions:

- A. Beneficiaries who are less than the age of 18 or greater than or equal to the age of 65 on the date of the trigger
- B. Beneficiaries with one or more of the following comorbidities within 365 days prior to the hysterectomy:
 1. Cervical cancers
 2. Select plegias
 3. Select immunity disorders
- C. Beneficiaries undergoing a radical hysterectomy

- D. Beneficiaries with extraordinarily high- or low-cost episodes

222.400 Adjustments**10-1-16**

For the purpose of determining a PAP's performance, the total reimbursement attributable to the PAP is risk-adjusted for hysterectomy episodes in which patients have comorbidities, including the following related health conditions:

- A. Beneficiaries with a BMI greater than or equal to 40
- B. Beneficiaries undergoing a salpingectomy/oophorectomy during the hysterectomy procedure

222.500 Quality Measures**10-1-16**

- A. Quality measures "to pass":
 - 1. Percent of episodes with a supracervical hysterectomy – maximum rate to pass is 10 percent
- B. Quality measures "to track":
 - 1. Percent of episodes performed using an open method or were converted to open from laparoscopic methods
 - 2. Percent of episodes with a vaginal hysterectomy

222.600 Thresholds for Incentive Payments**10-1-16**

- A. The acceptable threshold is \$2,683.00.
- B. The commendable threshold is \$2,351.00.
- C. The gain sharing limit is \$1,668.00.
- D. The gain sharing percentage is 50%.
- E. The risk sharing percentage is 50%.

222.700 Minimum Case Volume**10-1-16**

The minimum case volume is 5 valid episodes per 12-month performance period.

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
INPATIENT HOSPITAL SERVICES

Revised: October 1, 2016

1. Inpatient Hospital Services (continued)

A. INCENTIVES TO IMPROVE CARE QUALITY, EFFICIENCY, AND ECONOMY (CONTINUED)

V. APPLICATION: Complete details including technical information regarding specific quality and reporting metrics, performance thresholds and incentive adjustments are available in the Episodes of Care Medicaid Manual available at <https://www.medicaid.state.ar.us/InternetSolution/Provider/docs/docs.aspx> and also at the Arkansas Health Care Payment Improvement Initiative website at <http://www.paymentinitiative.org/Pages/default.aspx>.

Effective for dates of service on or after October 1, 2012, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) Perinatal Care Episodes

Effective for dates of service on or after February 1, 2013, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) Congestive Heart Failure (CHF) Episodes
- (2) Total Joint Replacement Episodes

Effective for dates of service on or after October 1, 2016, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) **Hysterectomy**
- (2) **Appendectomy**
- (3) **Uncomplicated Pediatric Pneumonia**

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

Revised: October 1, 2016

2.a. Outpatient Hospital Services (continued)

B. INCENTIVES TO IMPROVE CARE QUALITY, EFFICIENCY, AND ECONOMY (CONTINUED)

V. APPLICATION: Complete details including technical information regarding specific quality and reporting metrics, performance thresholds and incentive adjustments are available in the Episodes of Care Medicaid Manual available at <https://www.medicaid.state.ar.us/InternetSolution/Provider/docs/docs.aspx> and also at the Arkansas Health Care Payment Improvement Initiative website at <http://www.paymentinitiative.org/Pages/default.aspx>.

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- (1) Congestive Heart Failure (CHF) Episodes
- (2) Total Joint Replacement Episodes

Effective for dates of service on or after October 1, 2016, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) Hysterectomy
- (2) Appendectomy
- (3) Uncomplicated Pediatric Pneumonia
- (4) Urinary Tract Infection

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE**

Revised: October 1, 2016

- 2.b. Rural Health Clinic Services and other ambulatory services that are covered under the plan and furnished by a rural health clinic (continued)

C. ALTERNATE PAYMENT METHODOLOGY TO INCENTIVES TO IMPROVE CARE QUALITY, EFFICIENCY, AND ECONOMY (CONTINUED)

V. APPLICATION: Complete details including technical information regarding specific quality and reporting metrics, performance thresholds and incentive adjustments are available in the Episodes of Care Medicaid Manual available at <https://www.medicaid.state.ar.us/InternetSolution/Provider/docs/docs.aspx> and also at the Arkansas Health Care Payment Improvement Initiative website at <http://www.paymentinitiative.org/Pages/default.aspx>.

Effective for dates of service on or after October 1, 2012, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) Perinatal Care Episodes

Effective for dates of service on or after October 1, 2013, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) Acute Exacerbation of Chronic Obstructive Pulmonary Disease (COPD) Episodes
- (2) Acute Exacerbation of Asthma Episodes

Effective for dates of service on or after March 14, 2014, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) Acute Ambulatory Upper Respiratory Infection (URI) Episodes

Effective for dates of service on or after October 1, 2016, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) **Hysterectomy**
- (2) **Appendectomy**
- (3) **Uncomplicated Pediatric Pneumonia**
- (4) **Urinary Tract Infection**

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

Revised: October 1, 2016

5. Physicians' Services (continued)

A. INCENTIVES TO IMPROVE CARE QUALITY, EFFICIENCY, AND ECONOMY (CONTINUED)

V. APPLICATION: Complete details including technical information regarding specific quality and reporting metrics, performance thresholds and incentive adjustments are available in the Episodes of Care Medicaid Manual available at <https://www.medicaid.state.ar.us/InternetSolution/Provider/docs/docs.aspx> and also at the Arkansas Health Care Payment Improvement Initiative website at <http://www.paymentinitiative.org/Pages/default.aspx>.

Effective for dates of service on or after October 1, 2012, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) Acute Ambulatory Upper Respiratory Infection (URI) Episodes
- (2) Perinatal Care Episodes
- (3) Attention Deficit Hyperactivity Disorder (ADHD) Episodes

Effective for dates of service on or after February 1, 2013, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) Congestive Heart Failure (CHF) Episodes
- (2) Total Joint Replacement Episodes

Effective for dates of service on or after October 1, 2013, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) Tonsillectomy Episodes
- (2) Cholecystectomy Episodes
- (3) Colonoscopy Episodes
- (4) Oppositional Defiant Disorder (ODD) Episodes
- (5) Attention Deficit Hyperactivity Disorder (ADHD) / Oppositional Defiant Disorder (ODD) Comorbid Episodes
- (6) Acute Exacerbation of Chronic Obstructive Pulmonary Disease (COPD) Episodes
- (7) Percutaneous Coronary Intervention (PCI) Episodes
- (8) Acute Exacerbation of Asthma Episodes
- (9) Coronary Arterial Bypass Graft (CABG) episodes

Effective for dates of service on or after October 1, 2016, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) **Hysterectomy**
- (2) **Appendectomy**
- (3) **Uncomplicated Pediatric Pneumonia**
- (4) **Urinary Tract Infection**

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

October 1, 2016

23. Any other medical care and any other type of remedial care recognized under State law, specified by the Secretary.
(Continued)

- e. Emergency Hospital Services (Continued)

**A. INCENTIVES TO IMPROVE CARE QUALITY, EFFICIENCY, AND ECONOMY
(CONTINUED)**

V. APPLICATION: Complete details including technical information regarding specific quality and reporting metrics, performance thresholds and incentive adjustments are available in the Episodes of Care Medicaid Manual available at <https://www.medicaid.state.ar.us/InternetSolution/Provider/docs/docs.aspx> and also at the Arkansas Health Care Payment Improvement Initiative website at <http://www.paymentinitiative.org/Pages/default.aspx>.

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- (1) Perinatal Care Episodes

Effective for dates of service on or after February 1, 2013, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) Congestive Heart Failure (CHF) Episodes

Effective for dates of service on or after October 1, 2016, the defined scope of services within the following episode(s) of care are subject to incentive adjustments:

- (1) Appendectomy
(2) Uncomplicated Pediatric Pneumonia
(3) Urinary Tract Infection