

February 2014

Dear BCBSND Provider:

As a member of a Utilization Management Department or Medical Records Department of a participating Blue Cross Blue Shield of North Dakota (BCBSND) hospital provider, we are writing to inform you about 2014 Revisions to the Diagnosis Related Group (DRG) Validation Provider Reference Manual.

Enclosed in this mailing are statistical and communication updates to the DRG Validation Program. Any future revisions or updates will be communicated in a separate mailing.

Statistical Updates

In the 2012 Level of Care and Readmit/Transfer Reviews, the average percentage of all acute inpatient claims reviewed was 7.5 percent. BCBSND disagreed with an average of 3.5 percent of the total acute inpatient claims received by BCBSND. The facilities requested reconsiderations on an average of 15.5 percent of the claims which BCBSND disagreed. BCBSND reversed an average of 32.3 percent of the claims reconsidered.

In the 2012 Coding Review, the average percentage of acute inpatient claims reviewed was 12.5 percent. BCBSND disagreed with an average of 2 percent of the total acute inpatient claims paid by BCBSND. The facilities requested reconsiderations on an average of 10.4 percent of the claims which BCBSND disagreed. BCBSND reversed an average of 30.4 percent of the claims reconsidered.

If you wish to request your facility specific information regarding the Program reviews, please contact Provider Service locally at (701) 282-1090 or call toll-free at (800) 368-2312.

Inpatient Surgical Guideline List

InterQual guidelines have an asterisk (*) indicated on some of the inpatient setting procedures. Procedures indicated with an asterisk (*) are generally only medically necessary in the outpatient setting. BCBSND will make individual determinations on those cases where extenuating clinical circumstances may warrant an inpatient setting.

Communication Update

We will continue to send certified communication letters regarding Level of Care, Readmission or Transfer reviews to the facility's Utilization Review Department regarding determinations. It will be the responsibility of the Utilization Review Department at each facility to forward the information to the Business Office.

We will continue to send certified communication letters regarding Coding reviews to the facility's Medical Records Department.

This manual was first distributed to your departments in August 2003. All changes to the manual are updated on the BCBSND website at www.bcbsnd.com. To access the manual online, enter the www.bcbsnd.com website, select Provider Services which is within the Providers section. The manual is located within Billing and Reimbursement.

Thank you for your attention and time.

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Sincerely,

Jacquelyn Walsh

VP Clinical Excellence & Quality

Health Network Innovation