BlueCross BlueShield of Alabama

An Independent Licensee of the Blue Cross and Blue Shield Association

Adverse Events Policy

FREQUENTLY ASKED QUESTIONS

Program Questions	
1. What are Adverse Events?	Adverse Events are errors in medical care that are clearly identifiable, preventable and serious in their consequences for patients. The Blue Cross and Blue Shield of Alabama Adverse Events policy is an effort to improve the quality of care by reducing or eliminating the occurrence of Never Events and certain hospital-acquired conditions (HACs). The Blue Cross policy was developed using the Alabama Hospital Association's (AlaHA) guidance on Adverse Events as well as information from the National Quality Forum (NQF) and the Centers for Medicare and Medicaid Services (CMS).
2. What is the reason for instituting an amendment for Adverse Events?	Blue Cross shares your hospital's goal of promoting an efficient, safe and high-quality consumer-responsive healthcare delivery system. We also share the mutual goal of reducing the number of medical errors in the healthcare system. Our customers have increasing expectations for higher quality healthcare. We agree with our customer groups and with other national insurers that patients and insurers should not have to pay for Adverse Events. By working with AlaHA, we were able to generate a list of events that should generally be preventable through the application of evidence-based guidelines.
3. What does the hospital commit to when it signs the amendment?	Signing the hospital amendment means that the hospital will not bill, nor will Blue Cross reimburse, for errors in medical care that are clearly identifiable, serious in their consequences for members, and could reasonably have been prevented through the application of evidence-based medical guidelines. The hospital also agrees not to seek payment from, and waives any claim against, any member for these services.
4. What was the effective date of the Blue Cross Adverse Events policy?	October 1, 2008
5. What types of hospitals are impacted by this policy?	The Letter of Agreement applies to all inpatient hospitals in Alabama that Blue Cross directly contracts with for its local network. This includes general acute care hospitals, long-term care hospitals, rehabilitation hospitals, specialty hospitals, and the Veterans Administration Hospitals.
6. Will Blue Cross be moving toward a Diagnosis Related Group (DRG) reimbursement?	For private business, Blue Cross will continue to reimburse on the current per diem system.
7. How is this policy different from the CMS policy?	The Blue Cross policy includes the hospital-acquired conditions that make up the CMS policy in addition to some NQF events.

8. What is AlaHA's opinion on Adverse Events?	Blue Cross has worked closely with AlaHA and solicited input from the hospital community during this process. AlaHA members are supportive of initiatives to promote the highest quality care possible for all patients. They have issued a guidance paper to hospitals to assist them in discussing this issue with their boards, medical staff and employees, as well as to provide a resource in developing internal policies related to these events. Blue Cross will continue its commitment to maintain communication with AlaHA and the hospital community as program development progresses.
9. Where can I learn more about Adverse Events?	Blue Cross used the following three main sources in creating our policy: • Alabama Hospital Association's Guidance on Adverse Events (www.alaha.org) • Centers for Medicare and Medicaid Services (www.cms.gov) • National Quality Forum (www.qualityforum.org) Several Adverse Events documents and links are provided on the Blue Cross website, **AlabamaBlue.com/providers**.
10. Who should we contact at Blue Cross with questions about Adverse Events?	Questions can be submitted to NetworkAnalysis@bcbsal.org. Program information can be obtained on the Blue Cross website, **AlabamaBlue.com/providers**, and through your Provider Networks Consultant.
11. Where can I find a list of the Blue Cross Adverse Events?	This list is available on our website, **AlabamaBlue.com/providers**, and is updated as new events are added.
12. Is Blue Cross planning to expand the list of Adverse Events?	Yes, Blue Cross will expand the list to include applicable remaining items on the NQF list as well as future CMS adopted events.
Billing and Reporting Questions	
1. Does the policy apply to inpatient and/or outpatient services?	This policy only applies to inpatient admissions. Following CMS guidelines, emergency room visits, observation beds, and outpatient surgeries are all considered outpatient and do not apply to this amendment.
2. Who determines the number of days incurred due to an event?	Hospitals have the responsibility for determining any additional days caused by the adverse event and making the appropriate change to the claim.
3. Who at the facility level should be responsible for making the determination for the number of days, if any, to reduce?	Blue Cross recognizes that all hospitals have unique operational procedures. Hospitals may take different approaches to this process based on what works best in their organization. The hospital will be responsible for implementing a work-flow process and designating a reporting contact to work with Blue Cross.
4. Is there a time frame in which an adverse event should be reported?	Blue Cross recommends that the event be reported within 45 days of awareness of the event. If Blue Cross learns of an event through other sources that has not been reported by the hospital, an educational letter will be sent to the facility.

5. Do facilities need to remove days, charges or both when they are incurred during an event associated with an inpatient stay?	Facilities should non-cover any additional days associated with the event. It is not necessary to reduce the charges because of the Blue Cross per diem payment methodology.
6. Does Blue Cross automatically assume that days will be reduced if one of the identified conditions was not present on admission?	Blue Cross realizes that not all conditions will result in additional days. When a condition does lead to an additional day(s), through clinical review, the hospital will determine if any days were added by the event and non-cover those additional days.
7. How does a hospital determine how many days to remove from the bill for an adverse event?	The hospital determines whether or not that the condition was hospital-acquired and added to the length of stay. If so, the hospital should make adjustments in the number of days billed as covered days. The determination process will be hospital specific due to differences among patients, facilities and conditions.
8. What if a facility receives a transfer patient with one of these Adverse Events?	For example, a patient breaks his hip at one hospital and is transferred to a hospital with orthopedic capabilities. The facility receiving the transfer would code the condition as present on admission (POA "Y") and would file a claim for the entire length of stay.
9. What happens if a patient falls and is subsequently injured, and the hospital does not believe it is responsible?	Blue Cross would expect to receive a claim with the correct POA code and the appropriate number of days based on the outcome of the root cause analysis. If the root cause analysis indicates the hospital has observed and documented that patient safety measures were correctly followed, there may be no non-covered days. If errors are identified, the additional days associated with the fall should be non-covered.
10. What information does my facility have to report on the NQF events when there is no claim to file?	Reporting these events is done via ***ProviderAccess*** on our website. Only the following information is required: • Name • DOB • Contract Number • Adverse Event • Date Event Occurred
11. What does it mean to "waive all costs directly related to an adverse event"?	The hospital should not submit a claim or bill the patient for any of the three surgical Never Events. Hospital-acquired conditions will be reviewed on a case-by-case basis by the hospital, and the hospital will not bill Blue Cross or the patient for any days that were the direct result of an adverse event. For example: • A patient enters the hospital for surgery on the left knee, but the right knee is operated on in error. The entire hospital stay associated with the operation on the incorrect knee should not be billed to Blue Cross or the patient. • A patient enters the hospital for surgery and develops a stage-four pressure ulcer. This event prolongs the patient's hospital stay by two days. Blue Cross would cover the typical length of stay for similar surgeries, but we would not be expected to pay for the additional two days. The patient would also not be held financially accountable for those two days.

12. What is a POA indicator?	Present on Admission (POA) is defined by CMS as present at the time the order for inpatient admission occurs. Conditions that develop during an outpatient encounter, including the emergency room, observation, or outpatient surgery, are considered POA. They would be coded with POA "Y," present at the time of the inpatient admission.
13. What are the valid POA indicators and what do they mean?	• Y = Yes. Diagnosis was present at time of inpatient admission. • N = No. Diagnosis was not present at time of inpatient admission. • U = Documentation insufficient to determine if the condition was present at the time of inpatient admission. • W = Clinically undetermined. Provider unable to clinically determine whether the condition was present at the time of inpatient admission.
14. When should a POA be used?	The POA indicator should be used when a claim containing one of the Adverse Events diagnosis codes is used.
15. What if my facility submits a claim with one of the Adverse Events ICD-10 diagnosis codes but leaves the POA field blank?	For dates of service on or after October 1, 2008, a blank POA for one of the required ICD-10 diagnosis codes will result in the claim being rejected.
16. How do I report non-covered charges on a claim associated with a POA condition?	If non-covered days are being billed as a result of a hospital-acquired condition, the number of non-covered days will be shown with Value Code 81. The charges associated with the non-covered day(s) revenue code would be shown in the non-covered charges location of the claim form (FL 48 on the hardcopy claim).
17. How do I report charges that are patient liability?	When POA indicator "N" is used, indicating that the condition is hospital-acquired, Value Code 31 should be used to show any patient liability amounts. The amount shown as patient liability with Value Code 31 will be deducted from the total non-covered charge amount. The remaining non-covered charges will be applied to the hospital's contractual write-off amount.
18. Will Value Code 31/patient liability amount work for other situations when patient liability occurs?	Value Code 31 will only be used when POA "N" is received on the claim. We hope to expand the use of this value code to other patient liability situations at a later date.
19. What happens if I submit POA "N" on my claim but no Value Code 31?	The entire non-covered amount will be applied to the hospital's contractual write-off amount on the remittance.
20. What happens if, through error or mistake, Blue Cross is billed and payment is made to a hospital for an adverse event?	In this situation, the hospital will be required to refund the money for such payment or submit a corrected bill as appropriate. The patient will be held financially harmless. In the event of an increased length of stay, level of care, or significant intervention, the facility will do its best to "split out" those additional charges.

Blue Advantage® (PPO) Questions	
1. Will Blue Advantage (PPO) claims be included in the Adverse Events amendment?	Yes
2. Do we follow CMS claims filing guidelines for Blue Advantage (PPO) claims?	Hospitals will follow the CMS guidelines in filing Blue Advantage (PPO) claims, using the appropriate POA indicator on the claim.
3. What is the policy for Blue Advantage (PPO) for non-CMS events?	National Quality Forum Never Events for which no claim is being filed to Blue Cross should be reported via ***ProviderAccess*** on our website. These would include surgery performed on the wrong body part, the wrong patient, or the wrong surgical procedure performed on a patient.