

Authorization and Claim Review Activity Changes in Response to COVID-19

To: All Participating Hospitals, Skilled Nursing Facilities, and Home Health Agencies

Date: 24 March 2020

In response to the COVID-19 epidemic and based on guidance from New York State (NYS), Independent Health (IH) is suspending the following authorization and health plan activities for a period of no less than ninety (90) days from the date of this letter:

- a. Concurrent and retrospective review of inpatient medical and surgical admissions
- b. Prior authorization for inpatient rehabilitation services, skilled nursing facility admissions, and home health referrals following hospital discharge. Authorization remains in place for referrals from other sources, and concurrent review continues for each of these services (see item (e)).
- c. Hospital responses associated with DRG coding validation and readmission combination reviews

IH is aware of the other suspensions within the NYS Department of Financial Services (DFS) Circular. Regarding these items, please note the following:

- d. Authorization of Medical Necessity for certain scheduled surgeries (e.g. spine) is the responsibility of the rendering physician, not hospital. Hospital level of care review for these services is suspended within (a) above.
- e. In accordance with the DFS Circular, concurrent review remains in place for the post-acute services listed in item (b). Additionally, concurrent review shall not be a barrier to hospital discharging planning or a post-acute provider's acceptance of a patient or member.

The suspensions in items a-c above apply to all participating general acute care hospitals (including inpatient physical medicine units), cancer hospitals, skilled nursing facilities, and home health agencies. **These suspensions apply to all fully insured lines of business** except for skilled nursing services for nursing home residential membership (*Medisource Nursing Home and Medicare Institutional Special Needs / Family Choice members*).

While we understand the importance of consistency across lines of business during a pandemic, we are not able to suspend utilization management activities for **self-funded lines of business** (IH Self-Funded Services and Nova Healthcare Administrators, Inc.) at this time. We ask that facilities continue to follow existing notification and authorization processes for self-funded members (*ID card logos on following page*). Please note that suspending authorization requests would jeopardize a provider's ability to receive payment, especially for those services which are higher in costs. While notification and authorization responsibilities for self-funded lines of business should continue until further notice, IH and Nova staff are committed to working collaboratively with our provider partners to ease this administrative burden in any way that we can.

More broadly for all lines of business, while these changes focus resources where they are needed the most, the suspensions do not lessen our shared commitments, if not always lockstep agreement, to the provision of Medically Necessary and properly coded facility services in least restrictive settings. As such, please continue to consider these commitments during the suspension period; IH retains its rights to retrospective reviews for Medical Necessity once business restores.

The table and additional notes on the following page provide additional details of these key updates. For the full policies referenced in the text above and table below, please visit our Provider Portal. With any questions, you may contact Provider Relations at **716.631.3282 or 1.800.736.5771**.

Thank you for your continued service to your patients and our members.

This document contains **confidential** information.

Independent Health's Affiliated Companies: Independent Health Association, Inc.; Independent Health Corporation; Independent Health Benefits Corporation; Independent Health Foundation; Individual Practice Association of Western New York; Nova Healthcare Administrators, Inc.; Independent Health's Pharmacy Benefit Dimensions, LLC; Specialty Pharmacy Management, LLC

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Summary of Hospital Authorization and Claim Review Activity Suspensions

Activity	Lines of Business	Suspension Effective From - Through	IH Policy Name / (Number), If Applicable
Concurrent and retrospective review of inpatient medical and surgical admissions ^{1,2}	Commercial, Medicare, and State Products	All admission dates or ongoing admissions from 24-Mar – 22-Jun	Hospital Level of Care Determinations (M20190226016)
Prior authorization for inpatient rehabilitation services, skilled nursing facility admissions, and home health referrals following hospital discharge ^{2,3}	Commercial, Medicare, and State Products (excluding SNF residents for SNF services)	All admission / service dates or ongoing admissions / services from 24-Mar – 22-Jun	Medicare Advantage: Hospital Inpatient Medical Rehabilitation Services (M880101146) Medicare Advantage: Skilled Nursing and Sub-Acute Rehabilitation Services (M980701308) Skilled Nursing and Sub-Acute Rehabilitation Services (M20180927079) Home Care Policy (M980701092) Medicare Advantage: Home Health Authorization and Discharge Policy (M20151229094)
Hospital responses associated with DRG coding validation and readmission combination reviews ⁴	Commercial, Medicare, and State Products	All communications from IH, including claim remittances, from 24-Mar – 22-Jun	Post-Submission Payment Validation for Inpatient Acute Admissions (M20181129104) Readmission Review (M20150610051)

Additional Details

- In accordance with the NYS DFS Circularⁱ, hospitals should make best efforts to still notify IH of admissions within 48 hours of admission. For hospitals where IH extracts an electronic daily census, IH will continue to do so.
- After the restoration of business, in the event IH needs to address retrospectively a request for services which occurred during the suspension period, IH shall, in accordance with the DFS Circular, have a 90 day review period from the date of business restoration as opposed to the standard 30 days.
- The suspension applies to the prior authorization component only. IH is maintaining its operations regarding notification and concurrent review authorization processes. Providers shall continue working with IH to establish concurrent Medical Necessity in manner which is as timely as possible with the date of admission or referral. IH is considering the circumstances of the COVID-19 pandemic in the timeframes for notifications from providers and concurrent reviews for Medical Necessity.
- IH will continue with communications of findings and claim payment adjustments during the suspension period. However, hospitals will not be penalized for non-response or not proceeding with appeal processes and timelines during the suspension period. Processes and timelines will resume once business restores.

Self-Funded Services ID Card Logos



ⁱ https://www.dfs.ny.gov/industry_guidance/circular_letters/cl2020_08