Quality Improvement Organizations
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The Peer Review Higher Weighted Diagnosis-Related Groups

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Quality Improvement Organization Program

- **Purpose:**
  - Improve the quality of care delivered to Medicare beneficiaries
  - Protect the integrity of the Medicare Trust Fund, by ensuring that Medicare only pays for services and goods that are
    - Reasonable and medically necessary
    - Provided in the most appropriate setting
- **Quality Improvement Organizations (QIO) have a significant history of collaborating with hospitals and other stakeholders to ensure high quality care for beneficiaries**

Peer Review

- **ACP Ethics Manual 6th Edition**
  - Professionalism entails membership in a self-correcting moral community. Professional peer review is critical in assuring fair assessment of physician performance for the benefit of patients
  - All physicians have a duty to participate in peer review. Society looks to physicians to establish and enforce professional standards of practice, and this obligation can be met only when all physicians participate in the process

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HWDRG Reviews

- **QIOs are required to review hospital requests for Higher Weighted Diagnosis-Related Group (HWDRG) assignments as addressed in 42 CFR 412.60(d)(2) and 476.71(c)(2)**
- **The purpose of HWDRG validation is to:**
  - Be in accordance with the Official Guidelines for Coding and Reporting
  - Ensure that diagnostic and procedural information and the discharge status of the patient, as coded and reported by the hospital on its claim, match both the attending physician's description and the information contained in the patient's medical record

HWDRG Reviews

- **Refer the case for a physician review if medical judgment is needed when changing the narrative diagnosis that the codes were based upon**

Source: Quality Improvement Organization Manual Chapter 4 - Case Review 4050 - Hospital-Requested Higher-Weighted DRG Assignments - (Rev. 2, 07-11-03)

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HWDRG Reviews

- **Inpatient hospital payment adjustments that have been processed by the Medicare Administrative Contractors (MAC) and result in HWDRG assignments are reviewed by KEPRO, to ensure that the diagnosis and procedure codes reported are supported by the documentation in the medical record**
- **These cases also undergo review to determine if the services meet medically acceptable standards of care, are medically necessary, and are delivered in the most appropriate setting**

HWDRG Reviews

- **Hospitals are provided with an opportunity for discussion about any disagreements before KEPRO's case decisions are sent to the MAC for payment adjustments**
- **Hospitals may then request that KEPRO perform a one-time re-review of these case decisions by a reviewer not involved in the original determination**

HWDRG Reviews

- The staff at KEPRO receives a monthly notice from the Centers for Medicare & Medicaid Services (CMS) through a Health Care Quality Information Systems (HCQIS) Memo
- This Memo includes HWDRG case assignments for acute care and long-term care hospitals

HWDRG Reviews

- Once the Nurse Reviewer is notified that the medical record is ready, they will obtain the file from the Medical Records department
- The Nurse Reviewer conducts the medical record review for medical necessity using the Two-Midnight Rule criteria
- The Nurse Reviewer screens the medical record to identity any potential quality of care concerns
- When the Nurse Reviewer completes the Utilization and Quality of Care review of the medical record, it is sent for DRG validation

HWDRG Reviews

- The DRG Validator will verify that all areas (Coding, Medical Necessity, and Quality of Care) have been reviewed
- If concerns are noted with Medical Necessity and/or Quality of Care, the Nurse Reviewer/DRG Validator will send the medical record and Physician Reviewer Assessment Form (PRAF) to the Physician Scheduler for scheduling with a Physician Reviewer (Note: Specialty match required for Quality Review)

HWDRG Reviews

- **The Physician Reviewer has five business days to return the response with a detailed rationale for his/her decision**

HWDRG Reviews

- **Second Level Utilization and/or Coding Review**
  - If the concern is confirmed, an Opportunity for Discussion letter will be created. The provider/facility has 20 days in which to respond to the letter
  - If a response is not received within 20 days, the case is denied the second level of review, and the Final No Response Utilization Letter and/or coding letter is sent to the hospital. A Beneficiary Letter is sent to the beneficiary

HWDRG Reviews

- If a response is received within 20 days, the Nurse Reviewer/DRG Validator will prepare and send a second level review PRAF, the hospital's response, and the medical record to the Physician Reviewer (unless the concern is a technical coding concern, which is handled by a certified coder)
- The Physician Reviewer has five business days to return their response with a detailed rationale for his/her decision

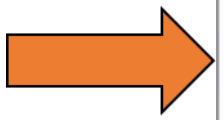
HWDRG Reviews

- **Third Level Reconsideration Review**
  - The Nurse Reviewer/DRG Validator will prepare and send a third level review PRAF, the hospital's response, and the medical record to a different Physician Reviewer and/or a different certified coder, if there is coding concern
  - The Physician Reviewer has five business days to return the response with a detailed rationale for his/her decision
  - If there is a utilization review concern, the Reconsideration Utilization letter is sent to the hospital, and a Beneficiary letter is sent as well

Physician Reviewer Assessment Form

Here you will find the case summary and beneficiary information

The Peer Reviewer provides the decision and recommendations



PRAF Referral

Claim Key:	11467777	Beneficiary Name:	John Smith
Admit Date:	01/25/2016	Discharge Date:	01/26/2016

Summary: 88/F admitted 3 days earlier for CP and SOB. Treated for UTI, HF, Dehydration and severe malnutrition. Treated and sent home with Home Health. Snow storm occurred and Home Health unable to make visit. Family found patient confused, incontinent of urine and stool, medications spilled on the floor. Observation ordered 1/24, inpatient 1/25 with evaluation for SNF. Discharged 1/26.

PMH: HTN, Asthma, s/p Left breast mastectomy, Freq falls.

Admitting Diagnosis: Failure to Thrive, Volume dehydration, CP. Under observation.

Treatment Plan: Evaluate for SNF, gentle IV hydration. Monitor. EC are negative, EKG and echo ok.

Concern: Is this a placement issue? Only abnormality is WBC of 13, BUN 28, creat 1.3. VS wnl.

While evaluation and care this patient received in the hospital was indicated and appropriate the medical record documentation does not appear to support inpatient billing.

This chart was reviewed and did not meet CMS criteria for FY 2015 Hospital IPPS Final Rule CMS-1599-F, "the 2 midnight rule." Therefore, there is a concern that the patient did not require an inpatient level of care.

Physician Response:

Pt was admitted for volume depletion, initially under observation status. On day 2 patient noted to have persistent leukocytosis thought secondary hemo-concentration, with plan to monitor labs and patient further. The patient demonstrated clinical signs and symptoms of sufficient complexity to warrant hospital care. The patient's care spanned greater than 2 medically necessary midnights and inpatient status was reasonable and appropriate as noted by clinical information noted in above summary.

HWDRG Reviews

- **If a possible quality concern is identified during a HWDRG review, a Quality Review Decision (QRD) is completed within four business days of identification of the potential quality concern**
  - The non-physician reviewer raises a quality concern when care provided results in a significant or potentially significant adverse effect on the patient

HWDRG Reviews

- A significant adverse effect may be one or more of the following:
  - Unnecessary prolonged treatment causes an extended hospital or skilled nursing facility stay
  - Readmission soon after discharge, or additional treatment(s)
  - Serious medical complications
  - Serious physiological or anatomical impairment
  - Significant disability
  - Avoidable death

- **The instructions for a Quality of Care (QOC) Review can be found in the QOC Peer Reviewer PowerPoint at the KEPRO Learning Center**

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Publication No. A234-395-1/2017. This material was prepared by KEPRO, a Medicare Quality Improvement Organization under contract with the Centers for Medicare & Medicaid Services (CMS), an agency of the U.S. Department of Health and Human Services. The contents presented do not necessarily reflect CMS policy.