

Provider Notice

To comply with provisions of the 2020 Appropriation Act, Managed Care Organizations (MCOs) must implement the following hospital and emergency room reimbursement policy changes effective July 1, 2020. Please refer to the Department of Medical Assistance Services Medicaid Bulletin (dated July 1, 2020): [Reimbursement Reductions for Preventable Emergency Room Visits and Hospital Readmissions Effective July 1, 2020](#).

This reimbursement policy change applies to all acute care facilities that are paid based on an APR-DRG payment methodology. In addition, claims submitted with dates of services beginning on July 1, 2020, will be subject to reimbursement reductions if the qualifying conditions are met per the criteria identified in the Medicaid Bulletin.

For hospital readmissions reductions, the following conditions and facility types are excluded from this reimbursement payment policy change:

- Planned Readmissions
- Obstetrical Readmissions
- Discharged Against Medical Advice
- Admissions to Critical Access Hospitals (CAHs)

If you have any questions or concerns regarding this provider notice, please contact your Provider Relations representative at 1-800-424-4524 or MCCVAProvider@magellanhealth.com.