

Report on Medicare Compliance Volume 28, Number 15. April 22, 2019 Hospitals Find Ways to Reduce Seven-Day Readmissions, But 30-Day Denials Provoke Ire

By Nina Youngstrom

When a patient with sickle cell disease was readmitted to the hospital 15 times in the last 12 months of her life, the Medicaid managed care plan denied the claims. It was one of the more frustrating experiences that Self Regional Healthcare in Greenwood, South Carolina, had with readmissions, which is an ongoing challenge because hospitals don't always control the variables that affect readmissions, including physician shortages and patient compliance. Although the Medicaid managed care plan has a more reasonable readmission policy than other payers in terms of timing—they don't pay when a patient is readmitted within 15 days of an admission vs. 30 days—it seemed absurd the hospital was "dinged" for readmissions in this circumstance, says Phillip Baker, M.D., medical director of case management at Self Regional Healthcare.

"She was in terrible pain and had liver damage because she had been transfused so many times," Baker says. "We tried to appeal and they said within 15 days 'we are not going to pay for this.'"

Denials for readmissions are a thorn in the side of hospitals, which are trying various strategies to reduce them. Denying payment for readmissions within seven days is one thing—that's a good demarcation line for discharge planning and follow-up to prevent readmissions—but hospitals are exasperated when payers won't cover them up to 30 days later, sometimes for unrelated conditions depending on the payer.

"The only potential hospitals have for impacting readmission is seven days," Baker says. "You can have huge impact on readmissions in the first week. It's a valuable thing to track. Did we miss something on discharge? Is the primary care physician seeing the patient? Are we getting indigent patients on a medication program?" But a month is another story. Hospitals are skeptical about the influence they exert on readmissions beyond the week after discharge, when they try to make sure patients are seen by a primary care physician or specialist and fill their prescriptions and understand how to take them. "Do you know why they chose 30 days? There's no rhyme or reason. Why not two weeks or 6 weeks? There's nothing magic about a 30-day timeline," Baker says. "This policy is driving us all up the wall."

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