



## Medicaid RAC APR-DRG Validation

In October 2012 the Office of Medicaid Policy and Planning (OMPP) is sending initial notification letters to forty-two Indiana hospitals who were selected for the first phase of APR-DRG (All Patient Refined-Diagnostic-Related Groups) Medicaid Recovery Audit Contractor (RAC) auditing. We have been informed by the Indiana Hospital Association (IHA) that OMPP will likely expand the program and notify all hospitals of an audit with a request for medical records at the same time.

The AP-DRGs that have been targeted are limited at this time. However, OMPP may widen the audit program to other DRGs or procedure codes. The following represent the current target areas:

- Septicemia (APR-DRGs 416, 417 and 584)
- Operating Room (OR) Procedure Unrelated to Principal Diagnosis (APR-DRGs 468, 476 and 477)
- Excisional Debridement (procedure code 86.22)
- Tracheostomy (AP-DRGs 482, 483 and 700 and procedure codes 31.1 and 31.29)

These complex audits will require extensive review of documentation including history and physical, discharge summary, physician orders and progress notes, prescriptions, lab reports, radiology reports, pathology reports, and operative or procedure reports. Blue & Co. is able to work with both electronic and paper records. It is recommended that hospitals contact us if they receive a Medical Records Request letter in order to ask questions and set up their preferred method of transferring the records. Please note that participation in the Medicaid program precludes hospitals or providers from charging OMPP for the reproduction of the requested records. The records are due within 30 days from the date of receipt of the notification letter from OMPP.

Let the experienced team of professionals at Blue & Co. assess compliance with the OMPP guidelines by performing APR-DRG validation audits. Our analysis includes the review of:

- ICD-9-CM diagnosis and procedure coding
- Complications and comorbidities which impact reimbursement
- POA accuracy
- Discharge disposition
- UB-04 completeness
- Physician query appropriateness
- Clinical documentation quality

We provide a comprehensive final report incorporating the scope of the analysis, significant findings and a summary of review.

Please contact Lynette Thom, RHIT, CDIP and AHIMA Approved ICD-10-CM/PCS Trainer at 317-713-7926 or [lthom@blueandco.com](mailto:lthom@blueandco.com) to discover how Blue & Co., LLC can help your organization.