

# Provider Manual Update

## Potentially Preventable Readmissions and Potentially Preventable Complications

**Summary:** This serves as an update to the Amerigroup\* Medicaid/CHIP Provider Manual related to potentially preventable readmissions (PPR) and potentially preventable complications (PPC).

✦ **What this means to you:** Effective March 1, 2013, PPR was implemented in fee-for-service and managed care (STAR and STAR+PLUS). Effective March 1, 2014, PPC was included as well for Medicaid (STAR and STAR+PLUS). Lastly, effective September 1, 2014, CHIP was included in PPR and PPC. Applicable reductions were applied to affected hospitals.

The Texas Health and Human Services Commission (HHSC) is directed by SB 7 to establish quality-based measurements and payment systems in both fee-for-service and managed care. HHSC is incorporating the PPR and PPC payment adjustments in the managed-care context through its contracts with managed-care organizations. PPR and PPC uses encounter submissions for fee-for-service, Medicaid managed care, family planning Title XIX, and managed care encounters. These encounters are used to determine quality performance. PPR and PPC reductions are applied regardless of payment methodology and apply to hospitals including behavioral health hospitals.

Amerigroup receives hospital lists and effective periods from HHSC related to PPR and PPC performance with data applicable to the reduction. Upon receipt, Amerigroup will implement and apply those reductions for each hospital including behavioral health hospitals within the list. Amerigroup notifies hospitals within the list provided by HHSC, in writing, of the applicable reductions; however, this notice serves as the provider manual update. As a payer of last resort, overpayments are subject to recovery and/or recoupment.

Additional information related to potentially preventable events can be found on the Texas Medicaid Healthcare Partnership website at [tmhp.com](http://tmhp.com).

### **What if I need assistance?**

If you have questions about this communication, received this fax in error or need assistance with anything else, contact your local Provider Relations representative or call Provider Services toll free at 1-800-454-3730.

*\*In Texas, Amerigroup members in the Medicaid Rural Service Area are served by Amerigroup Insurance Company; all other Amerigroup members are served by Amerigroup Texas, Inc.*