

PCHP Reimbursement Policy		
Topic: Inpatient Readmissions	Policy Number: PCHP.RI.017	Policy Section: Facility
Last Modification Date:	Effective Date: 5/15/2025	

Policy Disclaimer:

Please ensure adherence to correct billing and submission protocols. Utilize industry-standard, compliant codes when submitting claims. Services should be coded using Current Procedure Terminology® (CPT), Healthcare Common Procedure Coding System (HCPCS), and/or revenue codes. These codes specify the services or procedures rendered and must be fully substantiated in the medical record or office notes upon billing. Our reimbursement policies apply uniformly to both participating and non-participating professional providers and facilities, unless stated otherwise.

Failure to comply with appropriate coding/billing guidelines or current reimbursement policies may result in actions by PCHP, including claim rejection or denial, claim payment recovery/recoupment, or reimbursement adjustment to accurately reflect the services provided.

These reimbursement policies are designed to support you in submitting accurate claims and to clarify the criteria for reimbursement if PCHP covers the service under the member's benefit plan; however, coverage determination for items such as, but not limited to service, procedure, item, do not guarantee reimbursement. All billed services must align with authorization and medical necessity guidelines.

These reimbursement policies may be overridden by mandates in provider contracts, state or federal regulations, or Centers for Medicare & Medicaid Services (CMS) requirements. PCHP strives to implement policy changes promptly; any delays may necessitate recoupment of claims payment to the effective date as outlined in the policy. We reserve the right to periodically review and update these policies as needed, with the most current version available on our website upon any revisions.

Policy:

PCHP does not allow separate reimbursement for claims identified as readmissions to the same hospital for a similar or related condition, unless specified otherwise by provider, federal, or CMS contracts and/or requirements. PCHP applies the following criteria:

- Readmission within 30 days of discharge
- Same or related condition

PCHP uses clinical criteria and/or licensed clinical medical review to assess whether subsequent admissions are for:

- An acute decompensation of a coexisting chronic disease
- A condition or procedure indicative of a failed surgical intervention
- An infection or other complication of care

- An issue caused by premature discharge from the same facility
- A preventable need by providing appropriate care consistent with accepted standards in the prior discharge or post-discharge follow-up period
- The same or closely related condition or procedure as the prior discharge

Planned Readmission or Leaves of Absence:

For readmissions within 30 days as part of a planned readmission and/or due to a leave of absence, admissions are considered one, and only one diagnosis-related group (DRG) will be reimbursed. Providers should submit a single bill for covered days and days of leave leading to discharge.

Readmissions within 30 days for symptoms related to, or managing the prior stay's medical condition, are considered part of the original admission.

PCHP views a readmission to the same hospital for a similar or related condition on the same date of service as a continuation of initial treatment. PCHP defines "same day" as services rendered within a 24-hour period (from discharge to readmission) for participating providers.

The following exclusions apply:

- Behavioral Health
- Cancer Treatment
- OB or NICU
- Rehabilitation
- Sickle Cell Anemia
- Transplants
- Patient transfers from one acute care hospital to another
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References:

This policy has been developed through consideration of the following:

- CMS, Department of Health and Human Services, Texas Health and Human Services and all applicable agencies, National Correct Coding Initiative, ICD-10 Classification.

Policy History:

Description	Date
Policy Created	May 10, 2024
Policy Approved	January 30, 2025