MEMO: IMPORTANT UPDATE REGARDING REPORTING OF PROVIDER PREVENTABLE CONDITIONS FROM DHCS

September of 2016, DHCS released All Plan Letter 16-011 with updated guidance about using form 7107 and encounter and claims data related to Provider Preventable Conditions (PPCs), Hospital Acquired Conditions (HCACs) and Other Provider Preventable Conditions (OPPCs). This APL supersedes and incorporates previous guidance related to the above.*

The data screening and reporting process, which must be implemented immediately, is summarized below:

These new reporting requirements, issued by the federal Centers for Medicare & Medicaid Services (CMS) in rulemaking CMS-2390-F, dated March 30, 2016.

States are prohibited from permitting payment to providers for treatment of PPCs**. PPCs include both the "Health Care Acquired Conditions" (HCACs) defined in section 1886(d)(4)(D)(ii) and (iv) of the Social Security Act and "Other Provider Preventable Conditions" (OPPCs).**

Further information is available on the following pages:

• DHCS guidelines are available on DHCS's website at: http://www.dhcs.ca.gov/individuals/Pages/AI_PPC.aspx.

• DHCS Frequently Asked Questions are available at: http://www.dhcs.ca.gov/individuals/Pages/PPCFAQ.aspx.

L.A. Care and its delegates must report PPC-related encounters "in a form and frequency as specified by the State" per Title 42 CFR Section 438.3(g). In addition to accepting 7107 reports from providers, L.A. Care and its delegates must screen the encounter data, including data received from network providers, for the presence of the PPCs included on Form DHCS 7107 on a monthly basis.

L.A. Care and its delegates must:

1. Monthly review encounter data submitted by network providers for evidence of PPCs that must be reported using the revised Form DHCS 7107
2. When a PPC is confirmed L.A. Care or its delegate must complete the revised Form DHCS 7107 for each PPC and FAX to (916) 440-5060 or mail to the appropriate DHCS address at the Audits & Investigation (A&I) Division listed at the bottom of the form;
3. L.A. Care must issue this special notice informing all network providers that they must report PPCs to DHCS using the Form DHCS 7107;
4. Require all network providers to also send L.A. Care a copy of the Form DHCS 7107 sent to the A&I Division when a network provider self-reports and
5. Retain copies of all submissions.

L.A. Care and delegates of L.A. Care must all utilize the PPC process that is outlined above and on the 7107 form accessed below.

http://files.medi-cal.ca.gov/pubsdoco/Forms/dhcs_7107.pdf

For more information on the requirements of APL 16-011 and DPL 15-006 see link below.

http://www.dhcs.ca.gov/formsandpubs/Pages/MMCDPlanPolicyLtrs.aspx ML0000 00/00