

ALABAMA QUALITY ASSURANCE FOUNDATION

GENERAL MEMORANDUM NO. 96/99-08

**FOR IMMEDIATE DISTRIBUTION TO YOUR MEDICAL STAFF,
MEDICAL RECORDS DEPARTMENT AND CODING STAFF,
UTILIZATION AND QUALITY ASSURANCE DEPARTMENTS**

TO: ADMINISTRATORS AND CHIEFS OF STAFF - ALL Alabama Hospitals

FROM: H. Terrell Lindsey
President and Chief Executive Officer

DATE: November 12, 1997

SUBJECT: Prepayment Review of Higher Weighted DRGs - Reminder

- I.** This memorandum provides a reminder of the proper procedure to follow when resubmitting claims for higher weighted DRGs. General Memorandum 93/96-42, dated 8/28/96, explained the change in procedure concerning resubmitted bills resulting in a higher weighted DRG.
- II.** Effective with adjustments received by the Fiscal Intermediary (FI) on or after August 1, 1996, the FI suspended claims for higher weighted DRGs for referral to Alabama Quality Assurance Foundation (AQAF) for **prepayment review**.
- III.** The following outlines the process which occurs when requesting a higher weighted DRG payment:
 1. Hospital resubmits UB-92 to FI. Indicate Type of Bill - 117 in Form Locator (FL) 4.
FI applies the 60 day time frame ruling to determine eligibility of the resubmitted claim.
 2. FI returns the eligible claim to you with a suspense letter which states PRO review is required.
 3. Hospital submits the following information to AQAF:
 - a. Copy of the FI suspense letter (Sample letters from BCBS of AL and Mutual of Omaha are attached for reference)
 - b. Copy of the original UB-92 claim form
 - c. Copy of the resubmitted UB-92 claim form
 - d. Copy of the entire medical record
 - e. Copy of Hospital Adjusted DRG-Request Form (sample enclosed)

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- IV. After the review is complete, AQAF will forward the review decision to the hospital and to the FI. The FI will then process the adjustment based on AQAF's review.
- V. Questions concerning this memorandum should be addressed to Donnie V. Olis, RN, Vice President, Review Operation, (205) 970-1600, ext. 3201 or Dixie Ragland, Review Operations Coordinator (205) 970-1600, ext. 3207.

Enclosures

cc: Provider contact person; AQAF Board of Directors; J. Barnett and F. Richards, M.D., FMQAI; Patty Rawlings, PO/DHHS, M. Horsley/ALAHA; Lon Conner/MASA; Frazer Rolen/ALAHA-B'ham; Jane M. Cottos/OIG-DHHS; Lynda Northcutt/BCBS.

*****(Internet Users, please request attachments)*