HUMAN SERVICES DEPARTMENT

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Letter of Direction #68 -1

Date: **June 2, 2022**

To: **Centennial Care Managed Care Organizations**

From: **Nicole Comeaux, Director, Medical Assistance Division**

Subject: **Trauma Hospitals Directed Payment Repeal & Replace LOD # 68**

Title: **Trauma Hospitals Directed Payment**

This Letter of Direction (LOD) is intended to repeal and replace LOD #68, which was issued by the Human Services Department Medical Assistance Division (HSD/MAD) on October 26, 2021. This revised LOD extends implementation of the uniform percent increase of contracted rates for trauma hospitals for specified trauma services through calendar year (CY) 2022.

Trauma Hospital Directed Payment Background

HSD/MAD received approval from the Centers for Medicare and Medicaid Services (CMS) for the §438.6 Directed Payment Pre-print to provide a uniform percent increase of contracted rates for trauma hospitals for specified trauma services for July 1, 2020 – December 31, 2020, CY 2021 and CY 2022. HSD established a directed payment for trauma hospitals that provide guaranteed access to care for Medicaid recipients. The directed payment will be structured as a uniform percentage increase for trauma hospital services for each respective class of trauma hospitals. The amount of the increase will vary for each trauma class for trauma services. All MCOs are directed to increase contracted rates with the class of covered hospitals for trauma hospital services under the managed care contract for utilization incurred by all Medicaid enrollees beginning July 1, 2020.

The MCOs are directed to apply the increase to each class of trauma hospitals for trauma services as follows:

Trauma Class	Level	Uniform Percent Increase
All Level I Trauma Hospitals	Level I	0.9%
All Level III Trauma Hospitals	Level III	13.3%
All Level IV Trauma Hospitals	Level IV	37.0%

Trauma Hospital Classifications

This rate increase is a managed care directed payment; therefore, there will not be a corresponding increase applied through Medicaid fee-for-service (FFS) or based on FFS payment methodologies. The

uniform increase for trauma services was included in the July-December 2020, CY 2021 and CY 2022 capitation rates and no additional payments will be provided to the MCOs for this directed payment. The hospitals that are eligible for this rate increase are as follows:

Hospital Name	Trauma Level	Uniform Percent Increase
University of New Mexico	Level I	0.9%
Carlsbad Medical Center	Level III	13.3%
CHRISTUS St. Vincent Regional Medical Center	Level III	13.3%
Eastern New Mexico Medical Center	Level III	13.3%
Gerald Champion Regional Medical Center	Level III	13.3%
Mountain View Regional Medical Center	Level III	13.3%
San Juan Regional Medical Center	Level III	13.3%
Gila Regional Medical Center	Level IV	37.0%
Memorial Medical Center	Level IV	37.0%
Miners' Colfax Medical Center	Level IV	37.0%
Nor-Lea General Hospital	Level IV	37.0%
Sierra Vista Hospital	Level IV	37.0%
Union County General Hospital	Level IV	37.0%

Criteria for Trauma Services

The MCOs are directed to apply the increase to each class of trauma hospitals for "Trauma Services" as any claim containing a line with one of the following ICD-10 diagnosis codes.

- **S00-S99 with 7th character modifier of A, B or C ONLY** (Injuries to specific body parts – initial encounter):
- **T07** (Unspecified multiple injuries);
- **T14** (Injury of unspecified body region);
- **T20-T28 with 7th character modifier of A ONLY** (Burns by specified body parts – initial encounter);
- **T30-T32** (Burn by TBSA percentage);
- **T79.A1-T79.A9 with 7th character modifier of A ONLY** (Traumatic compartment syndrome – initial encounter)
- **Exclude the following ICD-10 codes from the Trauma logic:**
    - ***S00*** *(Superficial injuries of the head)*
    - ***S10*** *(Superficial injuries of the neck)*
    - ***S20*** *(Superficial injuries of the thorax)*
    - ***S30*** *(Superficial injuries of the abdomen, pelvis, lower back and external genitals)*
    - ***S40*** *(Superficial injuries of shoulder and upper arm)*
    - ***S50*** *(Superficial injuries of elbow and forearm)*
    - ***S60*** *(Superficial injuries of wrist, hand and fingers)*
    - ***S70*** *(Superficial injuries of hip and thigh)*
    - ***S80*** *(Superficial injuries of knee and lower leg)*
    - ***S90*** *(Superficial injuries of ankle, foot and toes)*
    - Late effect codes, which are represented using the same range of injury diagnosis codes but with the 7th digit modifier code of D through S, are also excluded.

Evaluation Plan Metrics
The MCO shall direct the participating hospitals to collect and report the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) survey to HCAHPS online https://hcahpsonline.org/#Participation in accordance with the guidance provided by the Centers for Medicare & Medicaid Services (CMS) at https://www.cms.gov/Research-Statistics-Data-and-Systems/Research/CAHPS.

The benchmarking of trauma hospital performance will be determined using HCAHPS results. HSD will establish performance targets based on the CMS hospital compare nationally recognized HCAHP averages for 2019, which will be the baseline year. HSD will collect the pre and post comparisons results for each hospital from the CMS hospital compare reporting of the questions of interest for this preprint to determine performance outcomes. Note that the providers' performance against the performance targets do not impact eligibility for the uniform percent increase.

Measure Name	Baseline Year	Baseline Statistic	Performance Target
Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) Health Plan Survey 1. Communication with Doctors Composite 2. Discharge Information Composite	2021	Individual Facility Hospital Compare HCAHPS survey Rate for 2021	Hospital Compare HCAHPS survey National Average for 2021

Rate Increase Implementation Timeframes and Reporting
The MCOs are directed to reprocess claims and readjust payments retroactive to July 1, 2020. The MCOs are directed to implement all changes associated with these instructions, including system changes, provider contract negotiations, and any necessary claims reprocessing no later than 120 days from the date of issuance of this directive. Failure to complete all changes within 120 days of the date of issuance may result in monetary penalties as described in section 7.3.3.6 of the Medicaid Managed Care Services Agreement.

HSD directs the MCOs to provide weekly updates to the Department on the status of implementation of these rate increases, using a template and reporting schedule to be issued by HSD. Additionally, HSD may schedule monitoring calls to observe MCO progress in implementing these changes and reprocessing claims in accordance with the deadline.