

**WAC 182-550-4690 Authorization requirements and utilization review for hospitals eligible for CPE payments.** This section does not apply to psychiatric certified public expenditure (CPE) inpatient hospital admissions. See WAC 182-550-2600.

(1) CPE inpatient hospital claims submitted to the medicaid agency must meet all authorization and program requirements in WAC and current agency-published issuances.

(2) The agency performs utilization reviews of inpatient hospital:

(a) Admissions under the requirements of 42 C.F.R. 456, subparts A through C; and

(b) Claims for compliance with medical necessity, appropriate level of care and the agency's (or an agency designee's) established length of stay (LOS) standards.

(3) For CPE inpatient admissions before August 1, 2007, the agency performs utilization reviews using the professional activity study (PAS) length of stay (LOS) standard in WAC 182-550-4300 on claims that qualified for ratio of costs-to-charges (RCC) payment before July 1, 2005.

(4) For claims identified in this subsection, the agency may request a copy of the client's hospital medical records and itemized billing statements. The agency sends written notification to the hospital detailing the agency's findings. Any day of a client's hospital stay that exceeds the LOS standard:

(a) Is paid under a non-DRG payment method if the agency determines it to be medically necessary for the client at the acute level of care;

(b) Is paid as an administrative day (see WAC 182-550-1050 and 182-550-4500(8)) if the agency determines it to be medically necessary for the client at the subacute level of care; and

(c) Is not eligible for payment if the agency determines it was not medically necessary.

(5) For CPE inpatient admissions after July 31, 2007, CPE hospital claims are subject to the same utilization review rules as non-CPE hospital claims.

(a) LOS reviews may be performed under WAC 182-550-4300.

(b) All claims are subject to the agency's medical necessity review under WAC 182-550-1700(2).

[Statutory Authority: RCW 41.05.021 and 41.05.160. WSR 16-01-204, § 182-550-4690, filed 12/23/15, effective 1/23/16; WSR 15-18-065, § 182-550-4690, filed 8/27/15, effective 9/27/15. WSR 11-14-075, recodified as § 182-550-4690, filed 6/30/11, effective 7/1/11. Statutory Authority: RCW 74.08.090 and 74.09.500. WSR 08-20-032, § 388-550-4690, filed 9/22/08, effective 10/23/08. Statutory Authority: RCW 74.08.090, 74.09.500, and 2005 c 518 § 209(9). WSR 06-11-100, § 388-550-4690, filed 5/17/06, effective 6/17/06.]