eternalHealth™
The Next Generation of Medicare Advantage

Effective Date 11/1/2025

Applicable to:

This policy applies to all products and all network and non-network inpatient facilities, including individual hospitals and hospitals within the same hospital system.

This reimbursement policy applies to all eternalHealth members.

Policy Overview

eternalHealth does not allow separate reimbursement for claims that have been identified as a re-admission to the same or different hospital within the same hospital system for the same, similar, or related condition unless provider, state, federal, or CMS contracts and/or requirements indicate otherwise. In the absence of provider, federal, state, and/or contract mandates eternalHealth will use the following standards:

- Readmission up to 30 days from discharge
- Same diagnosis or diagnoses that fall into same DRG grouping

eternalHealth will utilize clinical criteria and licensed clinical medical review to determine if the subsequent admission is for:

- An infection or other complication of care.
- A condition or procedure indicative of a failed surgical intervention.
- An acute decompensation of a coexisting chronic disease.
- A need that could have reasonably been prevented by the provision of appropriate care consistent with accepted standards in the prior discharge or during the post discharge follow-up period.
- An issue caused by a premature discharge from the same facility

Reimbursement Guidelines

Medical records may be requested to ensure the reimbursement guidelines have been followed. The medical record review process is consistent with CMS guidelines.

eternalHealth shall not reimburse the Hospital for a readmission inpatient stay unless the readmission is determined by the plan to be:

- Unrelated to the initial admission
- Medical necessary and unavoidable due to complications not reasonably preventable.
- Required for a planned staged procedure or treatment.

If readmission is determined to be related and preventable, eternalHealth may:

- Deny payment for readmission in full; or
- Apply a financial penalty in the form of a reduced payment or bundled payment adjustment

Exclusions

This policy does not apply to the following admission:

- Unrelated to the initial admission
- Medically necessary and unavoidable due to complications not reasonably preventable
- Required for a planned staged procedure or treatment
- Transfers to another acute care facility
- Readmissions for unrelated trauma or new diagnosis
- Readmissions due to patient non-compliance or social determinants beyond the Provider/Facilities control
- Admissions to a substance abuse unit or facility
- Admissions to an inpatient rehabilitation unit
- Readmission after a patient is discharged from the hospital against medical advice

- Admissions for covered transplant services during the global case rate period for the transplant

Definitions

Initial Admission An inpatient admission at an acute, general, or short-term hospital, or another hospital in the same hospital system (referred to as a "related hospital") and for which the date of discharge for such admission is used to determine whether a subsequent admission at that same hospital or a related hospital occurs within 30 days.

Readmission

An inpatient admission to any acute facility occurring within 30 days of the date of discharge from a prior inpatient admission, regardless of the cause or diagnosis and whether the readmission occurs at the same hospital or a different hospital. Intervening admissions to non-acute care facilities (e.g., a skilled nursing facility) are not considered readmissions and do not affect the designation of an admission as a readmission. For the purpose of calculating the 30-day readmission window, neither the day of discharge nor the day of admission is counted.

Same Day Readmissions

An admission to an acute care hospital on the same day as the previous admission's discharge.

Planned Readmission/Leave of Absence

When a member is readmitted within 30 days as part of a planned readmission and/or placed on a leave of absence, the admissions are considered to be one admission, and only one drug-related groups (DRG) will be reimbursed.

Providers are to submit one bill for covered days and days of leave when the patient is ultimately discharged. Readmissions occurring on the same day for symptoms related to or for evaluation and management of the prior stay's

medical condition are considered part of the original admission and should be combined. eternalHealth considers a readmission to the same hospital for the same, similar, or related condition on the same date of service to be a continuation of initial treatment. eternalHealth does not allow payment for the first admission when a member is readmitted for the same or similar diagnosis. eternalHealth reserves the right to recoup and/or recover monies previously paid on a claim that falls within the guidelines of a readmission for a same, similar, or related condition as defined above.

Transfer

The process of moving a patient from one acute facility to another. To include: the need for specialized care, higher level care, or lack of resources or services at the current facility. Transfers can occur between Hospitals, to a rehabilitation center, or a long-term care facility. The transfer process typically includes coordination between case management to ensure continuity of care and safe transportation for the patient. A transfer must not occur to prevent readmission reduction review.

References

This policy has been developed through consideration of the following:

- CMS
    - You can find Medicare CMS-1450 UB-04 completion and coding instructions in Chapter 25 of the Medicare Claims Processing Manual (Pub.100-04).
- State contract
- American Hospital Association