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Ellen M. Buettner | Chief Executive Officer

J. Kevin Stitt | Governor

OHCA 2024-16

July 25, 2024

**RE: Reimbursement for Provider Preventable Conditions Update**

Dear Provider,

To comply with Title 42 of the Code of Federal Regulations, Section 447.26, the Oklahoma Health Care Authority (OHCA) recently updated non-payment policies for provider preventable conditions (PPCs), including health care-acquired conditions (HCACs) and other provider preventable conditions (OPPCs). Effective Sept. 1, 2023, OHCA will not reimburse health care professionals and inpatient hospitals for the cost of services required to treat a PPC, including HCACs and/or OPPCs, not present at admission. The updated rules can be found in the Oklahoma Administrative Code, 317:30-3-62.

**Provider Preventable Conditions**

HCACs include any conditions occurring in any inpatient hospital setting identified as a hospital-acquired condition by federal regulation and Medicare, a list of which can be found on the [CMS website](#). OPPCs include surgical or other invasive procedures performed on the wrong site or wrong patient or the wrong surgical or other invasive procedures performed on a patient.

**Reporting**

Federal regulation requires that contracted providers report to OHCA all PPCs that are related to any claims for SoonerCare payment or services delivered to a member. The report is required regardless of whether the provider seeks reimbursement for services to treat the PPC(s). The [report form](#) is available for download. The report must be made within 10 days of the occurrence of the event.

**Billing**

For hospitals paid under the diagnosis-related grouping (DRG) methodology, a present on admission (POA) indicator will be required for the principal diagnosis code and every secondary diagnosis code for all discharges. Claims with no POA indicator will be denied.

For OPPC inpatient claims, hospitals are required to bill two claims: one claim including the covered services or procedures unrelated to the erroneous surgery or procedure,



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**WEBSITES**

[oklahoma.gov/ohca](http://oklahoma.gov/ohca)  
[mysoonerCare.org](http://mysoonerCare.org)



**PHONE**

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and one no-payment claim including the non-covered services or procedures.

For outpatient and practitioner claims, applicable Healthcare Common Procedure Coding System (HCPCS) modifiers should be appended to all lines related to the erroneous surgery or procedure. Claim lines with applicable HCPCS modifiers will be line-item denied.

If a provider receives reimbursement for an HCAC or OPPC, the provider must reimburse those costs to OHCA or the contracted entity. SoonerCare will not act as a secondary payer for Medicare non-payment of HCACs or OPPCs. A provider cannot shift financial liability or responsibility for the non-covered services and treatment to the member if OHCA has determined that the service is related to a PPC.

OHCA is committed to optimizing quality of care for SoonerCare members. Thank you for your work and commitment to providing services for our members.

Sincerely,

Traylor Rains  
State Medicaid Director