8000 Midlantic Drive
Suite 333
Mt. Laurel, NJ 08054-1560

485 C U.S. Highway 1 South
Suite 300
Iselin, NJ 08830-3052

www.amerihealth.com

AmeriHealth NEW JERSEY

A message to
Business Office Managers

Memo No. 11-08

TO: AmeriHealth participating acute-care hospitals in New Jersey

FROM: Michael S. Zollenberg
Director, Hospital and Ancillary Services

DATE: October 15, 2008

SUBJECT: **Present on admission indicator billing requirements**

This bulletin is to notify you that AmeriHealth will implement present on admission (POA) indicator billing requirements for acute-care hospitals effective January 1, 2009. All hospitals are required to follow instructions from the Centers for Medicare & Medicaid Services regarding identification of the POA for all diagnosis codes for inpatient claims submitted on the UB-04 and ASC X12N 837 Institutional (837I) forms. The POA indicator reporting instructions are attached for your reference. Claims submitted on or after January 1, 2009, without valid POA indicators will be rejected.

Please share this information with your Information Systems department and/or your software vendor. If you have any questions about this bulletin, please contact your Hospital/Ancillary Services Coordinator.

Present on Admission (POA) Indicator Reporting Instructions

POA code set definitions

The following grid outlines POA codes and their definitions:

Code	Reason for Code
Y	Diagnosis was present at time of inpatient admission.
N	Diagnosis was not present at time of inpatient admission.
U	Documentation insufficient to determine if condition was present at the time of inpatient admission.
W	Clinically undetermined. Provider unable to clinically determine whether the condition was present at the time of inpatient admission.
1	Exempt from POA reporting. This code is the equivalent code of a blank on the UB-04; however, blanks are undesirable on claims submitted via the 837I.

Electronic claims

When submitting claims via the 837I, submit the POA indicator in segment K3 in the 2300 loop, data element K301. Use indicator "1" to report exemption from POA reporting. The K3 segment in the 837I contains a string of characters like the one below:

K3*POAYYNYZ
Diagnosis 1 (Y)
Diagnosis 2 (Y)
Diagnosis 3 (N)
Diagnosis 4 (Y)

The first three characters in the K3 segment will always be "POA." The remaining characters correspond to a diagnosis, as indicated above. The "Z" indicates the end of the segment.

Paper claims

On the UB-04, the POA indicator is the eighth digit of UB-04 Form Locator (FL) 67, Principal Diagnosis, and the eighth digit of each of the Secondary Diagnosis fields, FL 67 A – Q. Report the applicable POA indicator (Y, N, U, or W) for the principal and any secondary diagnosis, and include this indicator as the eighth digit. Report a "1" in this field if the diagnosis is exempt from POA reporting.

Exempt facilities

We exempt the same facility types from the POA requirements as Centers for Medicare & Medicaid Services. Exempt facilities will be required to complete the POA indicator field using the applicable codes set forth above (i.e., "1"). If you do not report a POA indicator, your claim will be rejected. The following facility types are exempt:

- critical access hospitals
- long-term care hospitals
- cancer hospitals
- children's inpatient facilities
- inpatient rehabilitation facilities
- psychiatric hospitals