

AMENDMENTS TO LB 872

Introduced by Business and Labor.

1 1. Strike the original sections and insert the following
2 new sections:

3 Section 1. Section 48-120.04, Revised Statutes
4 Supplement, 2009, is amended to read:

5 48-120.04 (1) This section applies only to hospitals
6 identified in subdivision (1)(c) of section 48-120.

7 (2) For inpatient discharges on or after January 1, 2008,
8 the Diagnostic Related Group inpatient hospital fee schedule shall
9 be as set forth in this section, except as otherwise provided in
10 subdivision (1)(d) of section 48-120. Adjustments shall be made
11 annually as provided in this section, with such adjustments to
12 become effective each January 1.

13 (3) For purposes of this section:

14 (a) Current Medicare Factor is derived from the
15 Diagnostic Related Group Prospective Payment System as established
16 by the Centers for Medicare and Medicaid Services under the United
17 States Department of Health and Human Services and means the
18 summation of the following components:

19 (i) Hospital-specific Federal Standardized Amount,
20 including all wage index adjustments and reclassifications;

21 (ii) Hospital-specific Capital Standard Federal Rate,
22 including geographic, outlier, and exception adjustment factors;

23 (iii) Hospital-specific Indirect Medical Education Rate,

1 reflecting a percentage add-on for indirect medical education costs
2 and related capital; and

3 (iv) Hospital-specific Disproportionate Share Hospital
4 Rate, reflecting a percentage add-on for disproportionate share of
5 low income patient costs and related capital;

6 (b) Current Medicare Weight means the weight assigned
7 to each Medicare Diagnostic Related Group as established by the
8 Centers for Medicare and Medicaid Services under the United States
9 Department of Health and Human Services;

10 (c) Diagnostic Related Group means the Diagnostic Related
11 Group assigned to inpatient hospital services using the public
12 domain classification and methodology system developed for the
13 Centers for Medicare and Medicaid Services under the United States
14 Department of Health and Human Services; and

15 (d) Workers' Compensation Factor means the Current
16 Medicare Factor for each hospital multiplied by one hundred fifty
17 percent.

18 (4) The Diagnostic Related Group inpatient hospital
19 fee schedule shall include at least thirty-eight of the most
20 frequently utilized Medicare Diagnostic Related Groups for workers'
21 compensation with the goal that the fee schedule covers at least
22 ninety percent of all workers' compensation inpatient hospital
23 claims submitted by hospitals identified in subdivision (1)(c) of
24 section 48-120. Rehabilitation Diagnostic Related Groups shall not
25 be included in the Diagnostic Related Group inpatient hospital
26 fee schedule. Claims for inpatient trauma services shall not be
27 reimbursed under the Diagnostic Related Group inpatient hospital

1 fee schedule established under this section until January 1, ~~2011~~
2 2012. Claims for inpatient trauma services prior to January 1,
3 ~~2011~~, 2012, shall be reimbursed under the fees established by
4 the compensation court pursuant to subdivision (1)(b) of section
5 48-120 or as contracted pursuant to subdivision (1)(d) of such
6 section. For purposes of this subsection, trauma means a major
7 single-system or multisystem injury requiring immediate medical or
8 surgical intervention or treatment to prevent death or permanent
9 disability.

10 (5) The Diagnostic Related Group inpatient hospital fee
11 schedule shall be established by the following methodology:

12 (a) The Diagnostic Related Group reimbursement amount
13 required under the Nebraska Workers' Compensation Act shall be
14 equal to the Current Medicare Weight multiplied by the Workers'
15 Compensation Factor for each hospital;

16 (b) The Stop-Loss Threshold amount shall be the
17 Diagnostic Related Group reimbursement amount calculated in
18 subdivision (5)(a) of this section multiplied by two and one-half;

19 (c) For charges over the Stop-Loss Threshold amount of
20 the schedule, the hospital shall be reimbursed the Diagnostic
21 Related Group reimbursement amount calculated in subdivision (5)(a)
22 of this section plus sixty percent of the charges over the
23 Stop-Loss Threshold amount; and

24 (d) For charges less than the Stop-Loss Threshold amount
25 of the schedule, the hospital shall be reimbursed the lower of
26 the hospital's billed charges or the Diagnostic Related Group
27 reimbursement amount calculated in subdivision (5)(a) of this

1 section.

2 (6) For charges for all other stays or services that are
3 not on the Diagnostic Related Group inpatient hospital fee schedule
4 or are not contracted for under subdivision (1)(d) of section
5 48-120, the hospital shall be reimbursed under the schedule of
6 fees established by the compensation court pursuant to subdivision
7 (1)(b) of section 48-120.

8 (7) Each hospital shall assign and include a Diagnostic
9 Related Group on each workers' compensation claim submitted.
10 The workers' compensation insurer, risk management pool, or
11 self-insured employer may audit the Diagnostic Related Group
12 assignment of the hospital.

13 (8) The chief executive officer of each hospital shall
14 sign and file with the administrator of the compensation court by
15 October 15 of each year, in the form and manner prescribed by the
16 administrator, a sworn statement disclosing the Current Medicare
17 Factor of the hospital in effect on October 1 of such year and each
18 item and amount making up such factor.

19 (9) Each hospital, workers' compensation insurer, risk
20 management pool, and self-insured employer shall report to the
21 administrator of the compensation court by October 15 of each year,
22 in the form and manner prescribed by the administrator, the total
23 number of claims submitted for each Diagnostic Related Group and
24 the number of times billed charges exceeded the Stop-Loss Threshold
25 amount for each Diagnostic Related Group.

26 (10) The compensation court may add or subtract
27 Diagnostic Related Groups in striving to achieve the goal of

1 including those Diagnostic Related Groups that encompass at least
2 ninety percent of the inpatient hospital workers' compensation
3 claims submitted by hospitals identified in subdivision (1)(c) of
4 section 48-120. The administrator of the compensation court shall
5 annually make necessary adjustments to comply with the Current
6 Medicare Weights and shall annually adjust the Current Medicare
7 Factor for each hospital based on the annual statement submitted
8 pursuant to subsection (8) of this section.

9 Sec. 2. Original section 48-120.04, Revised Statutes
10 Supplement, 2009, is repealed.