

John D. Rockefeller IV
Governor



Emergency

chairperson
Sally K. Richardson
members
Larry Fizer
William L. Gilligan

Health Care Cost Review Authority

State Capitol Building
Charleston, West Virginia 25305
December 21, 1984

The Honorable A. James Manchin
Secretary of State
State Capitol Building
Charleston, West Virginia 25305

FILED
1984 DEC 21 PM 1:12
OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

Dear Mr. Manchin:

Re: State Register -- Emergency Filing of
Legislative Rules to Implement Utilization
Review and Quality Assurance Program - Phase 1

Enclosed herewith for filing in the State Register, please find three (3) copies of the above-noted legislative rules which we are filing on an emergency basis. Please return one (1) copy to us with your stamp acknowledging receipt. You are requested to publish this letter in the State Register as notice to the public of our action.

This filing replaces an earlier original filing on September 13, 1984. The emergency which exists is the need to prevent substantial harm to the public interest. West Virginia Code, §16-29B-23, mandates that the Authority establish a utilization review and quality assurance program in order to avoid unnecessary or inappropriate utilization of hospital services and to ensure high quality hospital care. This program and its meritorious goals cannot be implemented without immediate promulgation of legislative rules. Further, West Virginia Code, §16-29B-16(e), mandates that the board of the Authority submit an application for a medicare waiver under Section 1886(c) of the Social Security Act, as amended, within sixty (60) days of the promulgation of federal regulations implementing Section 1886(c). The date of promulgation of the federal regulations is uncertain but could occur at any time. The program established by the Authority's rules will yield data which is essential to the preparation of the application. This data must be accumulated at once in order to meet the time limitations established by the Legislature.

With much appreciation of your assistance in this matter, I remain

Very truly yours,

Sally K. Richardson
SALLY K. RICHARDSON
Chairperson

SKR/JHK/lq
Enclosures

APPENDIX B

FISCAL NOTE FOR PROPOSED RULES

Rule Title: Legislative Rules to Implement Utilization Review and Quality Assurance Program -- Phase I

Type of Rule: xx Legislative Interpretive Procedural

Agency WV Health Care Cost Review Address 100 Dee Drive
Authority Charleston, WV 25311

1. Effect of Proposed Rule	ANNUAL		FISCAL YEAR		
	Increase	Decrease	Current	Next	Thereafter
Estimated Total Cost	\$	\$	\$	\$	\$
			180,350	193,876	
Personal Services			45,258	48,652	
Current Expense			135,092	145,224	
Repairs and Alterations					
Equipment					
Other					

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2. Explanation of above estimates.

The estimates are based on the percentage of time that agency staff spend on this activity and the cost of collecting and analyzing the data.

3. Objectives of these rules:

Implementation of the utilization review and quality assurance program mandated by West Virginia Code, §16-29B-23.

4. Explanation of Overall Economic Impact of Proposed Rule.

A. Economic Impact on State Government.

None

B. Economic Impact on Political Subdivisions; Specific Industries; Specific groups of citizens.

The hospital industry will be required to submit patient discharge data to the Authority. The cost of this will vary from hospital to hospital depending on the data processing capabilities and resources of the hospital.

C. Economic Impact on Citizens/Public at Large.

The public will benefit from the analysis of this data by the Authority and the West Virginia Medical Institute. This data will be utilized to evaluate the appropriateness of admissions and the quality of care provided. It will also be used to compare the costs of providing services between similar hospitals.

Date December 21, 1984

Signature of Agency Head or Authorized Representative

Lee A. Richardson

DATE: December 21, 1984

TO: LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

FROM: Sally K. Richardson, Chairperson *SKR*

LEGISLATIVE RULE TITLE:

1. Authorizing statute(s) citation _____
§§16-29B-8(a)(1)-23, §§29A-2-9, -15, §29B-1-3

2. a. Date filed in State Register with Notice of Hearing:
September 13, 1984

b. What other notice, including advertising, did you
give of the hearing?
Advisory Council Members
~~Task Force Members~~
Interested Persons
~~County or City Government Representatives~~
Hospital Administrators
~~Statewide Health Coordinating Council~~

c. Date of Hearing (s): October 15, 1984

d. Attach list of persons who appeared at hearing,
comments received, amendments, reasons for
amendments.

Attached XX No comments received _____

e. Date you filed in State Register the agency
approved proposed Legislative Rule following public
hearing: (be exact)

December 21, 1984

f. Name and phone number of agency person to contact
for additional information:

Bill J. Crouch, Executive Director
(304) 343-3701

3. If the statute under which you promulgated the submitted rules requires certain findings and determinations to be made as a condition precedent to their promulgation:

a. Give the date upon which you filed in the State Register a notice of the time and place of a hearing for the taking of evidence and a general description of the issues to be decided.

NOT APPLICABLE

b. Date of Hearing: NOT APPLICABLE

c. On what date did you file in the State Register the findings and determinations required together with the reasons therefor?

NOT APPLICABLE

d. Attach findings and determinations and reasons:

Attached NOT APPLICABLE

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December 21, 1984

EMERGENCY FILING

LEGISLATIVE RULES

WEST VIRGINIA
HEALTH CARE COST REVIEW AUTHORITY

LEGISLATIVE RULES TO IMPLEMENT UTILIZATION REVIEW
AND QUALITY ASSURANCE PROGRAM - PHASE 1

Chapter 16-29B
Series IV
(1984)

WEST VIRGINIA HEALTH CARE COST REVIEW AUTHORITY

Emergency Filing

LEGISLATIVE RULES

LEGISLATIVE RULES TO IMPLEMENT UTILIZATION
REVIEW AND QUALITY ASSURANCE PROGRAM - PHASE 1

Chapter 16-29B
Series IV
(1984)

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EMERGENCY FILING
LEGISLATIVE RULES

WEST VIRGINIA HEALTH CARE COST REVIEW AUTHORITY

Chapter 16-29B
Series IV
(1984)

Subject: Legislative Rules To Implement Utilization Review And Quality Assurance Program - Phase 1

Section 1. General.

1.01. Scope. These rules set forth initial requirements for the implementation of the utilization review and quality assurance program mandated by West Virginia Code, §16-29B-23. The requirements include specified time periods for the filing of information and descriptions of what must be filed. Also included is a description of a peer review organization. These rules supplement the Health Care Cost Review Authority Act, West Virginia Code, §§16-29B-1 et seq., as amended, and the West Virginia Administrative Procedures Act, West Virginia Code, §§29A-1-1 et seq., as amended, and must be read in conjunction with those Acts.

1.02. Authority. These rules are issued under the authority of the Health Care Cost Review Authority Act, West Virginia Code, §§16-29B-8(a)(1), -23, the Administrative Procedures Act, West Virginia Code, §§29A-2-9, -15, and the Freedom of Information Act, West Virginia Code, §29B-1-3.

1.03. Filing Date. These rules were promulgated on December 21, 1984, and were filed in the Office of the Secretary of State on December 21, 1984.

1.04. Effective Date. These rules are effective on an emergency basis upon their filing with the Office of the Secretary of State.

Section 2. Definitions. As used in these rules, all terms have the same meaning as provided in the definition section of the Health Care Cost Review Authority Act, West Virginia Code, §16-29B-3. Definitions of additional terms are set forth below and whenever those terms are used in these rules the following definitions apply, unless a different meaning clearly appears from the context.

2.01. Act means the West Virginia Health Care Cost Review Authority Act, West Virginia Code, §§16-29B-1 et seq., as amended.

2.02. Authority means the West Virginia Health Care Cost Review Authority, an autonomous division within the State Department of Health, established pursuant to West Virginia Code, §16-29B-5.

2.03. Contractor means the person or persons who enter into agreements with the Authority for the performance of duties required by the Authority's utilization review and quality assurance program.

2.04. Person means a natural person, a corporation, association, or other legal entity.

2.05. Program means the Authority's utilization review and quality assurance program required by Section 23 of the Act.

2.06. UB-82 means Uniform Bill-82.

Section 3. Professional Review Organization. In order to carry out its duties under the Act for the establishment of a utilization review and quality assurance program, the Authority must have available to it qualified medical and surgical expertise and the requisite data storage and handling capabilities. Accordingly, the Authority will, from time to time, enter into a contract or contracts with a person or persons to collect patient information, to process that information, and to compile reports from that information in formats to be determined by the Authority.

3.01. West Virginia Medical Institute, Inc. The initial contractor shall be the West Virginia Medical Institute, Inc., a West Virginia corporation, whose principle place of business is located in Charleston, West Virginia. The West Virginia Medical Institute, Inc., is presently the holder of the contract with the Health Care Financing Administration of the United States Department of Health and Human Services to operate a peer review organization for the federal medicare program in the State of West Virginia.

3.02. Subsequent Contractors. The Authority may in the future either contract with the West Virginia Medical Institute, Inc., or with one or more other persons for the performance of subsequent programs under the terms of these rules.

Section 4. Patient Data.

4.01. Hospitals. Each hospital covered by the Act must submit one complete copy of the UB-82 data for each and every one of its inpatients, except that, individual patient names and street addresses will not be required. To the extent that a particular hospital must already submit a complete copy of UB-82 data for one or more classes of patients (e.g., medicare or medicaid) to the contractor, then such submissions need not be duplicated and the previously required submission will suffice.

4.02. Data Format. The UB-82 data must be submitted to the contractor on Industry Standard 1600 BPI tape with IBM tape labels or unlabeled with block size of 10 and record size clearly specified. Hard copies of the UB-82 data are not to be submitted to the contractor unless the hospital does not itself have access to one of the above noted computer tape formats and unless the hospital first notifies the contractor.

Section 5. Patient Confidentiality. The contractor, and its officers, employees, and agents, as well as the Authority, and its officers, employees, and agents, shall maintain the confidentiality of all personal medical information personally identifiable to a purchaser. The hospitals shall submit and the contractor shall collect such confidential data from the hospitals from the UB-82 data and provide it to the Authority as provided for in its agreement with the Authority.

Section 6. Sanctions. Any person or persons who violate or refuse to comply with the requirements of these rules shall be subject to remedial action as provided for under the Act including criminal penalties as provided for by West Virginia Code, §16-29B-27, orders of enforcement as provided for by West Virginia Code, §16-29B-15, civil actions as provided for by West Virginia Code, §16-29B-14, and such other sanctions as are reasonably necessary or essential to effect the express objectives and purposes of the Act as provided for by West Virginia Code, §16-29B-8(a)(6).

Section 7. Phase 2. These rules cover only phase 1 of the Authority's program under Section 23(a) of the Act. Phase 2 of the program will consist of the implementation of the provisions of Section 23(b) and (c) of the Act. Phase 2 will be developed following the collection of this initial data and following the required hearings.

Section 8. Severability. If any provision or provisions of these rules or the application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the provisions or applications of these rules which can be given effect without the invalid provision or provisions or application and to this end the provisions of these rules are declared to be severable.

WEST VIRGINIA HEALTH CARE COST REVIEW AUTHORITY

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LEGISLATIVE RULES

LEGISLATIVE RULES TO IMPLEMENT UTILIZATION REVIEW
AND QUALITY ASSURANCE PROGRAM - PHASE 1

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