



South Carolina

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Medicare-Related Claims: Present on Admission Indicator—Institutional Billing

Effective October 1, 2007, the Centers for Medicare & Medicaid Services (CMS) require hospitals to use a Present on Admission (POA) indicator for every diagnosis for all patients discharged on or after that date. It is one of the requirements of the Deficit Reduction Act of 2005 that the Secretary of Health and Human Services (HHS) identify a limited number of high-cost and/or high-volume conditions that are reasonably preventable through application of evidence-based guidelines, and pay at a lower rate when Medicare claims show these conditions as present only on discharge and not on admission. Starting October 1, 2008, claims may be assigned a lower-paying DRG when one of the secondary diagnosis codes identified by CMS is present on discharge but not present on admission.

What is the Present on Admission Indicator (POA)?

The Present on Admission (POA) indicator is used to note a condition that is present at the time the order for inpatient admission occurs. It is noted by using one of the five values below that identify whether secondary diagnoses are present when the patient is admitted to a facility.

- **Y** = Yes
- **N** = No
- **U** = No information in the record
- **W** = Clinically undetermined
- **1** = Used on 4010A1 and 5010 versions of the 837 to represent a space or a blank and means the Diagnosis Code is exempt from reporting POA.
- **Blank** = Designates on the UB-04 Unreported/Not Used/Exempt from POA reporting.

Is the POA indicator required on all Medicare claims?

The POA indicator is required on all Medicare primary claims, paper and electronic, and all Medicare Advantage claims, paper and electronic. It is not required on Medicare secondary claims.

What are the diagnosis codes for which CMS requires a POA indicator to be reported?

The following is a link to the CMS web page that reports the selected diagnoses:

http://www.cms.hhs.gov/HospitalAcqCond/06_Hospital-Acquiredq%20Conditions.asp#TopOfPage

Because blank is a valid value, will (local Plan name) reject my claim if the blank is intentional?

Blank is a valid value only on the UB-04, so if the claim was received as an electronic submission, a blank would represent an error. For a UB-04 submission, a blank POA indicator is likely to not be an error when submitted by one of the exempt institutions (i.e., critical access hospitals, long-term care hospitals, cancer hospitals and children's inpatient facilities). If the institution is non-exempt, clarification may be needed to determine if the provider left the POA indicator blank intentionally.

Who should I contact with additional questions?

Information on the CMS Present on Admission requirement is available at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5499.pdf> or by contacting BlueCross BlueShield of South Carolina:

- By sending an email to your provider relations representative at provider.education@bcssc.com.
- Visit us online at www.SouthCarolinaBlues.com.
- Additional questions? Check out the [POA Fact Sheet](#).