

We want to take this opportunity to clarify First Choice VIP Care Plus's payment policy as it relates to Section 3710 of the CARES Act. As you may know, Section 3710 calls for the Centers for Medicare and Medicaid Services (CMS) to increase by twenty percent (20%) the weighting factor that would otherwise apply to the diagnosis-related group (DRG) for individuals diagnosed with COVID-19. First Choice VIP Care Plus, as a Medicare-Medicaid plan, is not directly obligated to implement Section 3710 of the CARES Act, we are firmly committed to honoring our contract obligations with our network providers to pay in accordance with Medicare payment policy.

Accordingly, effective January 27, 2020 through the duration of the Public Health Emergency (PHE) described in section 1135(g)(1)(B) of the Social Security Act, First Choice VIP Care Plus is adopting the 20% increase. The 20% inpatient add-on will be applied to the weighting factor (operating portion only) of the assigned DRG for discharges of individuals diagnosed with COVID-19. Discharges of individuals diagnosed with COVID-19 will be identified by the presence of the following ICD-10-CM diagnosis codes:

- **B97.29** (Other Coronavirus as the Cause of Diseases Classified Elsewhere) for discharges occurring on or after January 27, 2020, and on or before March 31, 2020.
- **U07.1** (COVID-19) for discharges occurring on or after April 01, 2020, through the duration of the COVID-19 PHE period.

For discharges on or after April 1, 2020, please follow the ICD-10-CM Official Coding and Reporting Guidelines at <https://www.cdc.gov/nchs/data/icd/COVID-19-guidelines-final.pdf>. Guidance highlights are:

- Code only confirmed cases of COVID-19 as documented by the provider, documentation of a positive COVID-19 test result, or a presumptive positive COVID-19 test result.
- When COVID-19 meets the definition of principal diagnosis, code U07.1 (COVID-19) should be sequenced first, followed by the appropriate codes for associated manifestations (except obstetrics patients).
- For acute respiratory illness due to COVID-19, such as pneumonia and bronchitis, assign code U07.1 and the code for the related respiratory illness.

For discharges prior to April 1, 2020, please refer to the ICD-10-CM Official Coding and Reporting Guidelines at <https://www.cdc.gov/nchs/data/icd/ICD-10-CM-Official-Coding-Guidance-Interim-Advice-coronavirus-feb-20-2020.pdf>.

If you have any questions regarding this notice, please contact your Provider Network Account Executive or Provider Services at 1-888-978-0862.