

Addendum 4 to HAAD Claims & Adjudication Rules

Version

V2012

Including the Mandatory Tariff Pricelist Application Rules.



هيئة الصحة
HEALTH AUTHORITY



1. Purpose of this Document.

Updating the claims and adjudication rules in compliance with HAAD circular No. 37/14 dated 4th September 2014.

2. Rule effective Date:

15th September 2014.

3. Claims and Adjudication Rules Update

2.4 Rates Implementation

2.4.2 Multipliers Application Rules

- Medication/Drugs, blood and blood Products are not subject to 1 to 3 times the Mandatory Tariff range. *Discount application on the Medication and Drugs shall follow HAAD circular 20, dated March 12th 2009 and ministry of Health circular number 89, and UAE FEDERAL LAW NO: 4, 1983. Dated 2004 on the retail; however remain subject to the free market dynamics and the provisions of the contractual arrangement between the healthcare entities.*
- With exception Medication/Drugs, Blood and Blood Products, providers and payers are permitted to negotiate a set price per code, within the range of 1 to 3 times the Mandatory Tariff for the priced services, for the following codes sets:
 - **Un-priced CPT Codes.**
 - **Dental Codes.**
 - **HCPCS Codes. and**
 - **Service Codes.**
- For all other services and codes, providers and payers are permitted to negotiate multipliers per service category (Laboratory, Radiology ...etc), or CPT codes range as outlined in appendix B, but not allowed to negotiate individual price per service code. Multiplier must fall within the range of 1 to 3 times the Mandatory Tariff, and be in compliance with the following rules:
 - **DRGs**
 - i. A single DRG Base Rate, per provider branch or all branches, and Insurance company single product, bundle of products, or all products.
 - ii. In the presence of TPA: A single DRG Base Rate, per provider branch or all branches, and the represented individual or all Insurance company per single product, bundle of products, or all products.
 - **CPTs**
 - I. Single multiplier for all CPT codes per Provider branch or all branches and Insurance company single product, bundle of products, or all products; In the presence of TPA: per Individual or all represented Insurance companies.
 - II. Single multiplier per CPT range, as defined in Appendix B of this document, per provider branch or all branches and Insurance company single Product, bundle of



products, or all products. In the presence of TPA: Individual or all represented Insurance companies.

▪ **Anesthesia codes**

- I. Single Base Rate for all Anesthesia codes (00100-01999; 99100-99150), per provider branch or all branches, and Insurance company single product, and bundle of products, or all products; In the presence of TPA: per Individual or all represented insurance companies.

4.4 IR-DRGs:

4.4.2 Payment Calculations

- Price For Basic Product, the **Base Rate is AED 8,500; the Gap is AED 25,000 and the Marginal is 60%**. For all other products, Base Rate, Gap and Marginal must be negotiated in accordance with the terms of the Standard Provider Contract.
- Unless the Split of DRGs payment rule applies, payers are liable for the complete DRG Base Payment only, unless the case hits the outlier:

i. Base Payment

- The Mandatory Tariff lists the relative weights. The exact base payment can be calculated by multiplying the base rate [x], the relative weight of the DRG (in 4 decimals) and rounded off to the full AED (no decimals) using the following formula:

$$\text{Base payment} = \text{Base Rate} * \text{Relative Weight} + (\text{HCPCs}) \text{ Add-on Payment}$$

- Refer to the published methodology of high cost devices (HCPCs) Add-on Payment ¹.

¹: Methodology of high cost devices (HCPCs) Add-on Payment:

- http://www.shafafiya.org/Dictionary/Prices/20140901_HCPCS_Reimbursement_DRG_Update.docx
- http://www.shafafiya.org/Dictionary/Prices/20140901_DRG_WeightUpdateMethodology.xlsx