



# Provider Preventable Conditions for Medicaid

## Overview

In accordance with **Texas Health and Human Services Commission (HHSC)** policy, Managed Care Organizations (MCOs), including **Aetna Better Health of Texas** and hospitals are financially accountable for **Potentially Preventable Complications (PPCs)** and **Potentially Preventable Readmissions (PPRs)** identified by HHSC for Texas Medicaid members.

The Texas Health and Human Services Commission (HHSC) continues to monitor and report on **Potentially Preventable Events (PPEs)** to improve care quality and reduce unnecessary costs. These include:

- Potentially Preventable Readmissions (PPRs)
- Potentially Preventable Complications (PPCs)
- Potentially Preventable Admissions (PPAs)
- Potentially Preventable Emergency Department Visits (PPVs)

## Present on Admission (POA)

Aetna Better Health of Texas is **obligated to utilize Present on Admission (POA) indicator** data submitted on inpatient hospital claims and encounters to determine payment adjustments for provider preventable conditions. This includes any hospital-acquired or healthcare-acquired conditions as defined in the Texas Medicaid Provider Procedures Manual. These payment reductions are mandated regardless of the reimbursement methodology and apply to all hospitals, including behavioral health facilities.

**POA indicators** are critical in distinguishing hospital-acquired conditions from pre-existing conditions. HHSC uses POA data to ensure that only complications arising during the hospital stay are counted toward PPC and PPR metrics.

Hospitals with high rates of PPRs or PPCs—adjusted for risk and POA status—**may face payment reductions.**

## Provider Action Steps:

1. Review your internal processes for identifying and addressing PPCs and PPRs.
2. Ensure compliance with all HHSC guidelines and reporting requirements.
3. Collaborate with your MCO partners to implement best practices for preventing complications and readmissions.
4. Stay informed about updates and additional guidance from HHSC regarding PPC and PPR accountability.

For more information or if you have questions, please contact your Aetna Better Health representative or refer to the latest communications by visiting the HHSC website:

[Potentially Preventable Events | Texas Health and Human Services](#)

Thank you for your valued partnership in caring for our Aetna Better Health Members.

**CHIP**

**Bexar area**

1-866-818-0959 (TTY: 711)

**Tarrant area**

1-800-245-5380 (TTY: 711)

**STAR (Medicaid)**

**Bexar area**

1-800-248-7767 (TTY: 711)

**Tarrant area**

1-800-306-8612 (TTY: 711)

**STAR Kids**

**Dallas and Tarrant areas**

1-844-787-5437 (TTY: 711)

Sincerely,

Provider Services

Aetna Better Health of Texas