

SPECIAL eBULLETIN

FOR PROFESSIONAL AND FACILITY PROVIDERS

AUGUST 30, 2018

EFFECTIVE NOV 1, 2018: REIMBURSEMENT POLICY FOR OUTPATIENT SERVICES CHANGING TO BE MORE STANDARDIZED AND CONSISTENT WITH CMS GUIDELINES

Working with health care providers, we're helping institute nationally accepted, evidence-based guidelines. Often, these standards only require small changes to the way most practitioners already deliver care. And more important, they're proven to add up to better patient outcomes and lower costs. In alignment with the Centers for Medicare and Medicaid Services (CMS) guidelines, outpatient services rendered on the day of an inpatient admission or within three days prior to an inpatient admission will be considered, when applicable, inpatient services and will be included in the inpatient payment. This change applies to Highmark commercial and Medicare Advantage lines of business (except when the provider agreement states otherwise). This change will go into effect on Nov. 1, 2018.

REIMBURSEMENT POLICY

Applicable services included in this reimbursement policy change, (RP-039) include but are not limited to the following:

- Emergency Department (ED)
- Observation (OBS) and,
- Pre-Admission Testing (PAT)

The above services may also include blood or tissue analysis, radiological testing, cardiac diagnostics, respiratory status testing, etc.

WHAT YOU NEED TO KNOW

As you may be aware, CMS applies a three (3) day rule, also known as the 72-hour rule, for services provided to outpatients who later are admitted as inpatients. Highmark will adhere to this rule as follows for members covered under commercial and Medicare Advantage plans:

- If a member seeks and receives ED services in a facility within a 3-day period prior to an inpatient admission for a related diagnosis then all services shall be **billed on the inpatient claim.**
- If a member receives Observation services in a facility within a 3-day period prior to an inpatient admission for a related diagnosis then all services shall be **billed on the inpatient claim.**



- If a member receives pre-admission testing or other outpatient services in a facility within a 3-day period prior to an inpatient admission for a related diagnosis then all services shall be **billed on the inpatient claim**.

Note: According to CMS, with whom Highmark is aligning, if non-diagnostic outpatient services are related to the inpatient admission, the services are considered inpatient services and **are not separately reimbursable**. Again, the above is applicable except when the provider agreement states otherwise.

EXCLUDED SERVICES (COMMERCIAL PRODUCTS ONLY)

Certain exclusions apply when outpatient services are performed within the designated three day timeframe prior to an inpatient admission. The following services are **not** to be included on the inpatient claim and **must be independently billed**:

- Chemotherapy and/or Outpatient Surgery These services should not be included on the inpatient claim as long as they are *not performed on the same day* of the inpatient admission. If they are performed on the same day as the inpatient admission, then they must be included on the inpatient claim.
- Maternity Services Outpatient diagnostic and/or ED services provided *in conjunction with a maternity-related diagnosis* prior to the inpatient admission should not be included on the inpatient claim.

PROFESSIONAL PROVIDERS (837P and 1500 BILLERS)

- Inpatient Preoperative Care Reimbursement may be permitted for unusual preoperative medical care or for medical treatment attempted to avoid an operation, even though surgery eventually may be necessary. Highmark reserves the right to determine what medical care is acceptable to be reimbursed in these situations except when the provider agreement states otherwise.

WEB LOCATION OF HIGHMARK'S REIMBURSEMENT POLICIES

Reimbursement Policy number RP-039 was created for this alignment. The policy provides full details of this alignment. Reimbursement policies are located on the Provider Resource Center as an option under **CLAIMS, PAYMENT & REIMBURSEMENT**. Select **Reimbursement Policy** to review Highmark's reimbursement policies. As new reimbursement policies are developed, they will be added to the Reimbursement Policy web page.