

SECTION 5: BILLING AND REIMBURSEMENT GUIDELINES

of the Member Provider Policy & Procedure Manual

5.14 INPATIENT UNBUNDLING POLICY

This is a subsection of Section 5: Billing and Reimbursement Guidelines of the *Member Provider Policy & Procedure Manual*. If Blue Cross and Blue Shield of Louisiana (Louisiana Blue) makes any procedural changes, in our ongoing efforts to improve our service to you, we will update the information in this subsection and notify our network providers. For complete *Member Provider Policy & Procedure Manual* information, please refer to the other sections of this manual. Contact information for all manual sections is available in the Manual Reference Section.

For member eligibility, benefits or claims status information, we encourage you to use iLinkBlue (www.lablue.com/ilinkblue), our online self-service provider tool. Additional provider resources are available on our Provider page at www.lablue.com/providers.

This manual is provided for informational purposes only and is an extension of your Member Provider Agreement. You should always directly verify member benefits prior to performing services. Every effort has been made to print accurate, current information. Errors or omissions, if any, are inadvertent. The Member Contract/Certificate contains information on benefits, limitations and exclusions, and managed care benefit requirements. It also may limit the number of days, visits or dollar amounts to be reimbursed.

As stated in your agreement: This manual is intended to set forth in detail our policies. Louisiana Blue retains the right to add to, delete from and otherwise modify the *Member Provider Policy & Procedure Manual* as needed. This manual and other information and materials provided are proprietary and confidential and may constitute trade secrets.

INPATIENT UNBUNDLING POLICY

The Louisiana Blue Inpatient Unbundling Policy generally aligns with, and is similar to, the CMS policy on routine services and supplies that should be bundled in the room and board charges.

Louisiana Blue requires facilities to submit an itemized bill when filing an inpatient acute care claim that has a billed charge of greater than \$100,000. Louisiana Blue and its vendors also reserve the right to request itemized bills when deemed necessary for claims processing and review, regardless of billed amount. If the billed charge is greater than \$100,000, an itemized bill should be submitted at the same time claims are filed. If the provider receives a request for an itemized statement of billed services, the provider must submit an itemized bill for review within seven days of receipt of the request. An itemized bill should be submitted by fax, email or mail using the Itemized Bill Cover Sheet that is available online at www.lablue.com/providers > Resources > Forms.

Please see below for the Inpatient Unbundling Policy. *See also* the CMS *Provider Reimbursement Manual*, Determination of Cost of Services to Beneficiaries, Chapter 22, Section 2202.6.

Description

The purpose of the Inpatient Unbundling Policy is to document a payment policy for covered medical and surgical services and supplies. Healthcare providers (facilities, physicians and other healthcare professionals) are expected to exercise independent medical judgment in providing care to patients. The Inpatient Unbundling Policy is not intended to impact care decisions or medical practice.

Providers are responsible for accurately, completely and legibly documenting the services performed. The billing office is expected to submit claims for services rendered using valid codes for HIPAA-approved code sets. Claims should be coded appropriately according to industry standard coding guidelines (including but not limited to AMA, CPT, CPT Assistant, HCPCS, DRG guidelines, National Uniform Billing Committee (NUBC), CMS' National Correct Coding Initiative (CCI) Policy Manual, CCI table edits and other CMS guidelines).

Reimbursement Information

A claim review conducted on an itemized bill statement involves an examination of that statement and may involve reviewing the associated medical records for unbundling of charges and/or inappropriate charges.

CMS *Provider Reimbursement Manual*, Determination of Cost of Services to Beneficiaries, Chapter 22, Section 2202.6, defines "routine services" as those services included by the provider in a daily service charge—sometimes referred to as the "room and board" charge. Routine services are composed of two broad components: (1) general routine service and (2) special care units (SCU), including coronary units (CCU) and intensive care units (ICU). Included in routine services are the regular room, dietary services, nursing services, minor medical and surgical supplies, medical social services, psychiatric social services and the use of certain equipment and facilities for which a separate charge is not applicable.

Equipment commonly available to patients in a particular setting or ordinarily furnished to patients during the course of a procedure, even though the equipment is rented by the hospital, is considered routine and not billed separately. Special care units must be equipped or have available for immediate use, life-saving equipment necessary to treat critically ill patients. The equipment necessary to treat critically ill patients may include, but is not limited to, respiratory and cardiac monitoring equipment, respirators, cardiac defibrillators, and wall or canister oxygen and compressed air.

Routine supplies are included in general cost of the room where services are rendered. These items are considered floor stock and are generally available to all patients receiving services. As routine supplies, they cannot be billed separately. Examples include drapes, saline solutions and reusable items.

The following illustrative tables include, but are not exclusive lists of, those kinds of facility general and administrative costs and charges, including routine disposable and reusable equipment, supplies and items, which a facility may not separately bill for reimbursement.

Personnel and additional staff	Oxygen transport fees
Non-specific hospital nursing teams. Specific nursing teams performing services related to wound care, advanced IV access lines, ostomy care, etc. may be allowed.	Pharmacy fees of any kind, including "mixing fees," phone calls, pharmacy drug consults, and any pharmacy related charges outside the cost of the medication.
Call back time for physicians or staff.	Stand by charges for physicians or staff.
Hospital emergency code alerts, rapid alert teams, code teams, etc.	Stat charges.
Any administration fees performed by hospital nurses, i.e., TPN, blood transfusion, medication, chemotherapy, IV fluid administration, etc.	Supplemental feedings or nutrition such as Ensure, Isocal, including tube feeding, etc.
Any nursing care service within the scope of normal nursing practice, i.e., admission, assessment, discharge, etc.	Technician time of any kind, i.e., respiratory, X-ray, lab, nursing, etc.
Isolation care and/or Universal Precautions.	Maintenance of hospital equipment.
Any form of incremental nursing care.	Assistance by hospital staff for any bedside procedures performed by physicians or other qualified healthcare personnel regardless of patient location.
Management and/or participation in cardiac arrest event and/or performance of CPR (cardiopulmonary resuscitation) by hospital staff.	Insertion, discontinuation, and/or maintenance of IVs, PICC lines, nasogastric tubes, foley catheters, etc. performed by hospital nurses.
Respiratory services performed by hospital nurses, i.e., incentive spirometry, nebulizer treatments, suctioning, trach care, etc.	Monitoring and maintenance of peripheral or central IV lines and sites, including site care, dressing changes and flushes.
Patient monitoring of any kind.	Patient transportation fees.

Set up and take down of any equipment.	Patient and family Education and Counseling, including diabetic education, smoking cessation, lactation, CPR.
Oximetry	Any charge for the performance of a bedside procedure.

Routine services and supplies are included by the provider in the general cost of the room where services are being rendered or the reimbursement for the associated surgery or other procedures or services. As such, these items are considered non-billable for separate reimbursement. The following guidelines may assist hospital personnel in identifying items, supplies and services that are not separately billable. This is not an all-inclusive list:

- Any supplies, items and services that are necessary or otherwise integral to the provision of a specific service and/or the delivery of services in a specific location are considered routine services and not separately billable in the inpatient and outpatient environments.
- All items and supplies that may be purchased over-the-counter are not separately billable, including medications available over-the-counter without a prescription. This shall include, but is not limited to, medications such as acetaminophen, ibuprofen, guaifenesin, ascorbic acid, famotidine, probiotics, zinc sulfate, melatonin, senna/docusate and multivitamins.
- All reusable items, supplies and equipment that are provided to all patients during an inpatient or outpatient admission are not separately billable.
- All reusable items, supplies and equipment, such as pulse oximeter, blood pressure cuffs, bedside table, etc., that are provided to all patients admitted to a given treatment area or units are not separately billable.
- All reusable items, supplies and equipment that are provided to all patients receiving the same service are not separately billable.

1. Routine Supplies

The hospital basic room and critical care area room (cardiac, medical, surgical, pediatric, respiratory, burn, neonate (level III and IV), neurological, rehabilitative, post-anesthesia or recover and trauma) daily charge shall include all personal care, supply items and equipment, and are not separately billable.

These include, but are not limited to:

- Admission, hygiene and/or comfort kits soap
- Alcohol swabs
- Band-aids
- Basin
- Bedpan, regular or fracture pan
- Blood tubes
- Drapes
- Dressings
- Emesis basin
- Heat light or heating pad
- Ice packs
- Irrigation solutions
- Items used to obtain a specimen or complete a diagnostic or therapeutic procedure
- IV arm boards
- Kits, trays or packs, including angio kits, cath lab kits, dressing change or line insertion kit
- Lotion
- Lubricant jelly
- Meal trays
- Mid-stream urine kits
- Mouth care kits
- Mouthwash
- Needles
- Oral swabs
- Oxygen masks
- Pillows
- Preparation kits
- PPE used by patients or staff
- Razors
- Restraints
- Reusable sheets, blankets, pillowcases, draw sheets, underpads, washcloths and towels
- Saline solutions
- Sharps containers
- Socks/slippers
- Specipan
- Staplers and reloads
- Sutures
- Syringes
- Tape
- Tubes
- Thermometers
- Urinal
- Water pitcher
- Wound supplies and wound vacs

2. Medical Equipment

The hospital basic room and critical care area room (cardiac, medical, surgical, pediatric, respiratory, burn, neonate (level III and IV), neurological, rehabilitative, post-anesthesia or recover and trauma) daily charge shall include, but is not limited to, all of the following services, personal care and supply items and equipment, and are not separately billable:

- Ambu bag
- Aqua pad motor
- Arterial pressure monitors (inclusive of critical care room charge only)
- Auto syringe pump
- Automatic thermometers and blood pressure machines
- Bed scales
- Bedside commodes
- Blades
- Blood pressure cuffs
- Blood storage
- Blood tubes
- Blood warmers
- Cardiac monitors
- Catheters (exception of catheters for heart cath and drug eluting or coronary stents)
- Cannisters or containers/bags of any kind
- CO₂ monitors
- Connectors and stopcocks
- Crash cart
- Defibrillator and paddles
- Digital recording equipment/printouts or photography
- Dressing/gauze/bandages
- Emerson pumps
- Fans
- Feeding pumps
- Flow meters
- Footboard
- Glucometers
- Guest beds
- Heating or cooling pumps
- Hemodynamic monitors (inclusive of critical care room charge only)
- Hemostats
- Humidifiers
- Infant warmer
- IV pumps; single and multiple line; tubing
- Kits, trays or packs (including angio kits, cath lab kits, dressing change or line insertion kit)
- Nebulizers
- Overhead frames
- Over-bed tables
- Oximeters/oxisensors – single use or continuous
- Patient room furniture; manual, electric, semi-electric beds
- PCA pump
- Penlight or other flashlight
- Pill pulverizer
- Pressure bags or pressure infusion equipment
- Radiant warmer
- Sealants/skin adhesives
- Sitz baths
- Staplers and reloads
- Stethoscopes
- Sutures
- Telephone
- Televisions
- Traction equipment
- Transport isolette
- Tubes and lines
- Wall suction, continuous or intermittent
- Wound care supplies and wound vacs

3. Routine Services Included in Facility Basic Charges

The hospital basic room and critical care area room (cardiac, medical, surgical, pediatric, respiratory, burn, neonate (level III and IV), neurological, rehabilitative, post-anesthesia or recover and trauma) daily charge shall include, but is not limited to, all of the following services, personal care and supply items and equipment, and are not separately billable:

- Administration of blood or any blood product by nursing staff (does not include tubing, blood bank preparation, etc.)
- Administration or application of any medicine, chemotherapy and/or intravenous fluids
- Assisting patient onto bedpan, bedside commode or into bathroom
- Assisting physician or other licensed personnel in performing any type of procedure in the patient's room, treatment room, surgical suite, endoscopy suite, cardiac catheterization lab or X-ray
- Bathing of patients
- Blood storage
- Body preparation of deceased patients
- Cardiopulmonary resuscitation
- Changing of dressing, bandages and/or ostomy appliances
- Changing of linens and patient gowns
- Chest tube maintenance, dressing change, discontinuation
- Enemas
- Enterostomal services
- Feeding of patients
- Incontinent care
- Insert, discontinue and/or maintain nasogastric tubes
- Insertion and maintenance of peripheral or central intravenous lines and/or arterial lines and sites – to include site care, dressing changes and flushes
- Intubation
- Lab specimen collection
- Lidocaine or xylocaine
- Maintenance and flushing of J-tubes, PEG tubes and feeding tubes of any kind
- Management or participation in cardiopulmonary arrest event. Obtaining and recording of blood pressure, temperature, respiration, pulse, pulse oximetry.
- Medical record documentation
- Monitoring of cardiac monitors, CVP (central venous pressure) lines, Swan-Ganz lines/pressure readings, arterial lines/readings, pulse oximeters, cardiac output, pulmonary arterial pressure
- Nerve block anesthesia
- Neurological status checks
- Nursing care
- Obtaining and recording of blood pressure, temperature, respiration, pulse, pulse oximetry
- Obtaining of: finger-stick blood sugar, blood samples from either venous sticks or any type of central line catheter or PICC (peripherally inserted central catheter) line, urine specimens, stool specimens or any body fluid specimen
- Oral care
- Oxygen and oxygen maintenance
- Patient and family education and counseling
- Physician critical care
- Preoperative care
- Set up and/or take-down of: IV pumps, suction, flow meters, heating or cooling pumps, over-bed frames, oxygen, feeding pumps, TPN, traction equipment, monitoring equipment
- Shampoo hair
- Start and/or discontinue intravenous lines
- Suctioning or lavaging of patients
- Tracheostomy care and changing of cannulas
- Transporting, ambulating, range of motion, transfers to and from bed or chair
- Turning and weighing patients
- Urinary catheterization

4. Critical Care Units

In addition to the above listed services, personal and supply items, and equipment, if post-operative surgical or procedural recovery services are performed in any critical care room setting (other than the post-anesthesia recovery room), the critical care daily room charge will cover recovery service charges and intensive care nursing.

5. Surgical Rooms and Services

The hospital surgical room (surgical suites (major and minor), treatment rooms, endoscopy labs, cardiac cath labs, X-ray, pulmonary and cardiology procedural rooms) charge shall include nursing personnel services, supplies and equipment (as included in the basic or critical care daily room charges). In addition, the following services and equipment, which are provided for illustrative purposes and do not constitute an all-inclusive list, will be included in the surgical rooms and service charges, and are not separately billable:

- Air conditioning and filtration
- All reusable instruments charged separately
- All services rendered by RNs, LPNs, scrub technicians, surgical assistants, orderlies and aides
- Anesthesia equipment and monitors
- Any automated blood pressure equipment
- Any surgical kit, tray or pack (including angio kits, cath lab kits, dressing change or line insertion kit)
- Blades
- Blood storage
- Cannisters or containers/bags of any kind
- Cardiac monitors
- Cardiopulmonary bypass equipment
- CO₂ monitors
- Crash carts
- Digital recording equipment and printouts
- Dinamap
- Dressings/gauze of any kind
- Fracture tables
- Grounding pads
- Hemochron
- Hemoconcentrator
- Hemostats
- Laparoscopes, bronchoscopes, endoscopes and accessories
- Lights, light handles, light cord, fiber optic microscopes
- Midas Rex
- Monopolar and bipolar electrosurgical/bovie or cautery equipment
- Obtaining laboratory specimens
- Power equipment
- Room heating and monitoring equipment
- Room set up of equipment and supplies
- Saline slush machine
- Sealants/skin adhesives
- Solution warmer
- Staplers and reloads
- Surgeons' loupes or other visual assisting devices
- Sutures
- Transport monitor
- Tubes/lines
- Video camera and tape
- Wall suction equipment
- Wound supplies
- X-ray film

6. Telemetry

In any basic care room billed at higher than the provider's posted base room rate, or any room identified as a post-critical care, progressive care, intermediate care or step-down care, wherein the patient is monitored by telemetry, telemetry will be considered included in the higher room rate. Charges for medically necessary mobile telemetry units will be allowed unless services are rendered in one of the settings described in the preceding sentence. Examples of basic care rooms are labor and delivery, newborn nursery (levels I and II), pediatric, medical, surgical, rehabilitative, oncology, orthopedic, neurological and urological.

7. Respiratory Therapy

Respiratory treatment charges include the machine, circuits, respiratory technician time, water, ambu bag and any vent disposable supplies. A ventilator or bipap/CPAP hourly/daily charge includes the following respiratory technician services: manual ventilation charges during any in hospital transport; intubation and/or extubation charges and related supplies; respiratory assessment; endotracheal tube care, etc.

An oxygen or vapotherm hourly/daily charge is not reimbursed separately from a ventilator hourly/daily charge. When more than one level of respiratory/ventilation support occurs on the same date of service within the same 24-hour period of time, only the highest level of respiratory support will be allowed.

Any education, observation and evaluation of patient use of respiratory equipment will be limited to one charge per stay. Chest wall manipulation, postural drainage, and/or chest physiotherapy are not separately billable. For individual respiratory treatment/inhalers administered multiple times per day, these will be limited to one charge allowed per day.

8. Inpatient Hospital Claim/Billed Charges for Revenue Code 278 Other Implants

Billed charges for revenue code 278 may require a vendor's invoice to support supplies used that correspond to the services rendered unless otherwise agreed upon.

These units must be clearly indicated on the vendor invoices submitted with the claim. If the units do not match or are not noted, the revenue code 278 will be denied unless otherwise agreed upon.

If supplies are purchased by the provider in bulk, the units that apply to the claim billed must be noted on the invoice or the revenue code 278 will be denied unless otherwise agreed upon.

Louisiana Blue reserves the right to ask for invoices for any item billed.

References

CMS *Provider Reimbursement Manual*, Determination of Cost of Services to Beneficiaries, Chapter 22, Section 2202.6.

www.medicalbillingandcoding.org/health-insurance-guide/understanding-medical-bills/

<https://aspe.hhs.gov/report/frequently-asked-questions-about-code-set-standards-adopted-under-hipaa>