EmblemHealth | ConnectiCare

Payment Integrity Administrative Policy:

Routine Supplies & Services – Not Separately Reimbursable in the Inpatient Hospital Setting

EFFECTIVE DATE:	APPROVED BY
1/01/2020	**HCCI (Health Care Cost Initiatives Committee)**

Policy Statement:

Plan considers the cost of Routine Supplies and Services (regular nursing services and minor medical and surgical supplies) that are integral components of underlying room and/or procedure charges to be included within these underlying room and/or procedure charges and not separately payable in the inpatient hospital setting. In determining whether a supply or service is routine for purposes of this section, the following criteria is utilized:

- The supply or service must be medically necessary, reasonable for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member;
- The supply or service must be furnished at the direction of a physician (by distinct physician order);
- Supplies that are generally available to all patients billed the same underlying room and board acuity level and/or procedure are not separately payable. The cost of these supply items are already included in the underlying charge for the room or procedure in which the services are delivered;
- Supplies, items and services that are necessary or otherwise integral to the provision of a specific underlying service and/or the delivery of such underlying service(s) are not separately payable;
- Items and supplies that may be purchased over the counter are not separately payable;
- Charges for reusable items, supplies and equipment are not separately payable, as the use of such reusable items, supplies and equipment does not result in an incremental cost; *and*
- All charges are otherwise subject to review for confirmation that the amount billed for such supplies and services both reasonably and consistently relates back to its underlying (direct and indirect) costs.

Specific items and examples of items that are not separately reimbursable are noted below.

Examples of Supplies and Equipment that are not separately reimbursable include, but are not limited to:

- Thermometers, Temperature Probes, etc.
- Pacing Cables/Wires/Probes
- Pressure/Pump Transducers
- Transducer Kits/Packs
- SCD Sleeves/Compression Sleeves/Ted Hose
- Oximeter Sensors/Probes/Covers
- Electrodes, Electrode Cables/Wires
- Oral swabs

- Wipes (baby, cleansing, etc.)
- Specialty Beds
- Foley/Straight Catheters, Urometers/Leg Bags/Tubing
- Specimen traps/containers/kits
- Syringes/Needles/Lancets/Butterflies
- Isolation carts/supplies
- Dressing Change Trays/Packs/Kits
- Dressings/Gauze/Sponges
- Kerlix/Tegaderm/OpSite/Telfa
- Skin cleansers/preps
- Irrigation Solutions
- Gloves/Gowns/Drapes/Covers/Blankets
- Ice Packs/Heating Pads/Water Bottles
- Kits/Packs (Gowns, Towels and Drapes)
- Suction Canisters/Tubing/Tips/Catheters/Liners
- Enteral/Parenteral Feeding Supplies (tubing/bags/sets, etc.)
- Preps/prep trays
- Masks (including CPAP and Nasal Cannulas/Prongs)
- Restraints
- Operating Room Equipment (saws, skin staplers, staples & staple removers, sutures, scalpels, blades etc.)
- Operating Room Supplies (instrument trays, surgical packs,
- IV supplies (tubing, extensions, angio-caths, stat-locks, blood tubing, start kits, pressure bags, adapters, caps, plugs, fluid warmers, sets, transducers, fluid warmers, etc.)
- Oxygen unless utilized as an exclusive form of respiratory therapy
- Personal care items
- IV solutions used to dilute medications
- IV line flushes
- Irrigants
- Isolation supplies
- Anesthesia supplies when billed with anesthesia time charges
- Perfusion supplies when billed with perfusionist time charges
- Bili-lights
- Nasal cannula

Examples of Services that are not separately reimbursable include, but are not limited to:

- Patient transport
- IV infusion/IV push
- Separate nursing charges
- Medication preparation
- Venipuncture, specimen collection, draw fees, phlebotomy, heel stick, etc.
- Facility personnel charges such as lactation consultants, dietary consultants, transport fees, professional therapy functions (physical, occupational, and speech), etc.
- IV or PICC line insertions
- Point of Care monitoring and testing (bedside glucose, oximetry, fecal occult blood, etc.)
- Education/training

- Preparation or Set-up Charges
- RT assessment
- Bladder scans
- Sputum induction
- Monitoring such as pulse oximetry, TCM, blood pressure monitoring, capnography, end tidal CO2, telemetry except in med/surg room, etc.
- CPR
- Intubation/Extubation

Examples of other items that are not separately reimbursable include, but are not limited to:

- **Pharmacy** -- Pharmacy charges will include the cost of the drugs prescribed by the attending physician. Medications furnished to patients shall not include an additional separate charge for administration of drugs, the cost of materials necessary for the preparation and administration of drugs, and the services rendered by registered pharmacists and other pharmacy personnel.

- **CMS Hospital Acquired Conditions ("HAC")** -- Plan follows CMS' current and future recognition of HACs. Current and valid Present on Admission ("POA") indicators (as defined by CMS) must be populated on all inpatient acute care Facility Claims. When a HAC does occur, all inpatient acute care Facilities shall identify the charges and/or days which are the direct result of the HAC. Such charges and/or days shall be removed from the Claim prior to submitting to the Plan for payment. In no event shall the charges or days associated with the HAC be billed to either the Plan or the Member.

- **Procedure and Operating Room Charges** – Charges for the operating from includes the use of the operating room, the services of qualified professional and technical personnel, linen packs, basic instrument packs, basic packs, dressings, equipment, routine supplies such as sutures, gloves, dressings, sponges, prep kits, drapes, and surgical attire. Charges for instrument trays for any procedure are included in the cost of the procedure and are not separately reimbursable. The operating room charge shall include the cost of robotic technology and is not eligible for separate reimbursement.

- **Blood, Blood Products, and Administration** --Blood and blood product administration services are not separately reimbursable on inpatient Claims. Thawing/Pooling fees are not separately reimbursable.

- **Daily Supply or One Time Charge Fees/Items** -- Supply fees billed daily or one time, which are unidentified and unsupported by medical records or documentation are not reimbursable.

- **Equipment** – IV pumps, PCA pumps, specialty beds, bair hugger machine/blankets, wound vacuum pump, oximeter monitors, suction pumps, breast pump, etc. are not separately reimbursable.

- **Lab Charges** – Advancements in laboratory testing technology allow a facility to obtain a wide variety of values/results from a single underlying blood sample and analysis. Plan recognizes the costs incurred to analyze and obtain results from a blood sample and will reimburse for each blood sample analysis performed. Multiple charges for results obtained from the same underlying blood sample analysis are not separately reimbursed by Plan.

Revision History

Company(ies)	DATE	REVISION
EmblemHealth ConnectiCare	6-2021	• Reformatted and reorganized policy; transferred content to new template.