

# Reimbursement Policy Statement Louisiana Medicaid

Original Issue Dat	e Next Annu	al Review	Effective Date		
05/30/2018			08/01/2018		
Policy Name			Policy Number		
LA Policy-Place of Service Outpatient vs. Inpatient			ABHLA-RP-0151		
Policy Type					
Medical	Administrative	Pharmacy	Reimbursement		

Aetna Better Health of Louisiana implements comprehensive and robust policies to ensure alignment with Louisiana Department of Health (LDH) and to warrant that regulatory standards are met.

Aetna Better Health of Louisiana reimbursement policies are intended to provide a general reference for claims filing, coding and documentation guidelines. Coding methodology, regulatory requirements, industry-standard claims logic, benefits design and other factors not listed in this policy statement are considered in the development of reimbursement policies.

In addition to this Policy, reimbursement of rendered services are subject to member benefits, eligibility on the date of service, medical necessity, other plan policies and procedures, claim editing logic, provider contracts and all applicable authorization, notification and utilization management guidelines set forth by the Louisiana Department of Health (LDH) and the Centers for Medicare and Medicaid Services (CMS).

This policy does not ensure either an authorization or reimbursement of services. Please refer to the plan contract for the service(s) referenced therein. If there is a conflict between either this policy or the plan contract, then the plan contract will be the controlling document used to make an authorization or payment determination.

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#### A. Policy

Services, other than inpatient services, will not be reimbursable if the recipient received inpatient care on the same date of service but at a different place of service, if the member also received inpatient care the previous day and was not discharged on that day or on the following day.

#### **B.** Overview

#### Rationale:

In accordance with the Louisiana Department of Health, billing outpatient services for a recipient who is admitted inpatient within a twenty four (24) hour period of receiving outpatient services is not permissible.

#### Specifications:

If an inpatient in a particular hospital has outpatient services performed at another hospital (place of service) the inpatient hospital is liable for reimbursing the outpatient hospital service.

#### C. Definitions

<u>Inpatient services</u>: services needed for the treatment of an illness or injury which can only be provided safely and adequately in a hospital setting and includes those basic services that a hospital is expected to provide.

<u>Outpatient services:</u> diagnostic and therapeutic services rendered under the direction of a physician or dentist to an outpatient in an enrolled, licensed and certified hospital.

### D. Reimbursement Guidelines

http://www.lamedicaid.com/provweb1/fee\_schedules/feeschedulesindex.htm

### E. Codes/Condition of Coverage

<u>Places of Service:</u> POS 21: Inpatient Hospital POS 22: Outpatient Hospital

#### F. Frequently Asked Questions

**Q**: What is the Louisiana Department of Health definition of discharge?

*A*: An inpatient or outpatient is considered to be discharged from the hospital and paid under the prospective payment system (PPS) when the following criteria apply: the recipient is formally discharged from the hospital or the recipient dies in the hospital.

*Q*: What is the general exclusion in regards to reimbursement of inpatient claims when the



recipient also received outpatient services? *A*: Outpatient therapy is the exclusion when providers bill for inpatient services.

G. Review/Revision Date					
Action	Date	Comments			
Date Issued	05/30/2018				
Date Revised					
Effective Date	08/01/2018	Effective date contingent upon LDH approval			

#### H. Resources

Louisiana Department of Health State Contract, regulations, Provider Manual, fee schedules and notices

http://www.lamedicaid.com/provweb1/Providermanuals/manuals/PS/PS.pdf

Individual state Medicaid regulations, manuals & fee schedules <u>http://www.lamedicaid.com/provweb1/fee\_schedules/feeschedulesindex.htm</u>

American Medical Association, Current Procedural Terminology (CPT®) Professional Edition and associated publications and services <u>https://www.ama-assn.org/</u>

Centers for Medicare and Medicaid Services, CMS Manual System and other CMS publications and services https://www.cms.gov/