



Payment Policy 1 Hospital Routine Supplies & Services Reimbursement

All States & Lines of Business

Purpose

The purpose of the Hospital Routine Supplies and Services Reimbursement Policy is to support compliance with the coding and billing of a claim submitted to Molina Healthcare both pre-payment and post-payment, to ensure accurate hospital reimbursement. It is not intended to address every aspect of a reimbursement situation, nor is it intended to impact care decisions. This policy was developed using nationally accepted industry standards and coding principles. In the event of a conflict, federal and state guidelines, as well as the member's benefit plan document always supersede the information in a payment policy. Additionally, to the extent there are any conflicts between the payment policy and the provider contract language, the provider contract language will prevail. Coverage may be mandated by applicable legal requirements of a State, the Federal government or the Centers for Medicare and Medicaid Services (CMS). References included were accurate at the time of policy approval.

Overview

Routine Services are not separately billable and are included in the general cost of the room where services are being rendered. Routine Services are composed of two broad components: (1) general routine supplies and services, and (2) special care units (SCU's), including coronary care units (CCU's) and intensive care Units (ICU's). Routine Services identified on the claim or itemized bill, are not eligible for separate reimbursement and are not eligible to be included in outlier calculations.

General rules that apply:

- Claim review conducted on an itemized statement requires an examination of that statement and the associated medical records in order to be able to appropriately review for unbundled charges and/or inappropriate charges. This applies for all inpatient and outpatient claims. Claims are expected to be submitted using codes from approved codes. These valid code sets are outlined by the Health Insurance Portability and Accountability Act (HIPAA).
- Industry standard coding guidelines must be followed, including but not limited to: American Medical Association (AMA), Current Procedural Terminology (CPT), Healthcare Common Procedure Coding System (HCPCS), Diagnoses Related Groups (DRG) guidelines, Uniform Billing (UB), National Correct Coding Initiative (CCI) Policy Manual, and Centers for Medicare and Medicaid Services (CMS) this is not an all-inclusive list.
- In the event of a conflict, federal and state guidelines, as applicable, as well as the member's benefit plan document supersede the information in this policy. Additionally, to the extent there are any conflicts between this policy and the provider contract language, the provider contract language will prevail.
- Coverage may be mandated by applicable legal requirements of a State, the Federal government or the Centers for Medicare and Medicaid Services (CMS).
- This policy is intended to ensure correct provider reimbursement and serves only as a general resource regarding Molina Healthcare's reimbursement policy for the services and items described in this policy.

Process

Routine Services

Routine Services are included in the general cost of the room, area where the service is provided, or the reimbursement of the associated surgery or procedure. 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 a Routine Service and thus ineligible for separate reimbursement. Payment for Routine Services is included in Molina's payment for room and board. Below is further detail on specific services that are considered a Routine Service.



Third Party Services

For In-Network providers, that are billed under an all-inclusive payment method, all services provided during a member's time at a facility (inpatient or outpatient) should be billed by the facility and not by a third party.

Third party services provided to the member during their time at a facility (inpatient or outpatient) are the responsibility of the facility and may be denied by Molina.

Disposable Supplies

Disposable supplies provided for care in an outpatient setting are not eligible for unbundled reimbursement. Disposable supplies include, but are not limited to, syringes, needles sheaths, blood or urine testing supplies, (except as treatment for diabetes), bags, garments, stockings, bandages, belts gauze and replacement batteries.

Durable Medical Equipment

Medically necessary durable medical equipment required for immediate inpatient or outpatient discharge such as crutches, canes and braces or other such medical devices necessary to allow the patient to timely and safely leave the facility may qualify for separate reimbursement. Documentation must support that the patient was discharged home with this equipment.

Laboratory Services

Molina will not reimburse for individual laboratory tests when the tests performed are included in an ordered laboratory panel. When individual laboratory tests are included in a laboratory panel, the panel code should be reported on the itemized bill.

Pharmacy Services

For medication coverage and reimbursement refer to PI Payment Policy 56 High Dollar Pharmacy Reimbursement Policy. Medications administered to the patient shall not include an additional separate charge for: administration of the medication, supplies/materials for preparation and administration, and/or services rendered by pharmacists and other pharmacy personnel.

Critical Care Units

The critical care area room and board (ED, cardiac, medical, surgical, pediatric, respiratory, burn, neonate (level 3 and 4), neurological, rehabilitative, post anesthesia or recovery, and trauma) daily charges shall include the following services, personal care, supply items and equipment.

This is not an all-inclusive list.

<ul style="list-style-type: none"> In addition to the above listed services, personal and supply items and equipment, if post operative surgical or procedure 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. Intensive nursing care 	<ul style="list-style-type: none"> Respiratory therapy services Ventilatory support and management
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Routine Supplies

The hospital basic room and critical care area room (ED, cardiac, medical, surgical, pediatric, respiratory, burn, neonate (level3 and 4), neurological, rehabilitative, post anesthesia or recovery, and trauma) daily charges shall include the following as routine supplies. Routine supplies are not separately reimbursable and are part of the hospital's room and board charges.

The list below is not exclusive and can also include any other items that are seen as routine supplies. mission, hygiene and or comfort kits

<ul style="list-style-type: none"> • Alcohol swabs • Arterial blood gas kits • Baby powder • Band-aids • Basins • Bedpans, regular or fracture pan • Blood tubes • Cotton balls, sterile or non-sterile • Deodorant • Drapes • Emesis basins • Facial tissue • Gloves used by patients or staff • Gowns used by patients or staff • Glycerin swabs (flavored swabs) • Heat light and or heating pads • Ice packs • Irrigation solutions • Items used to obtain a specimen or complete a diagnostic or therapeutic procedure • IV arm boards • IV supplies (tubing, catheters, etc.) • Lubricant jelly • Masks used by patients or staff • Measuring pitcher • Mid-stream urine kits • Mouth care kits 	<ul style="list-style-type: none"> • Mouthwash • Needles • Odor eliminator/ room deodorizer • Oral swabs • Oxygen • Oxygen masks • PICC (Peripherally inserted central catheter) line • Pillows • Preparation kits • Razors • Restraints • Reusable sheets, blankets pillowcases draw sheets, under pads, washcloths, towels • Saline solutions • Shampoo • Sharps containers • Shaving cream • Skin cleansing liquid or skin prep • Soap • Socks/slippers • Sputum traps • Syringes • Tape • Thermometers • Toilet tissue • Tongue depressors • Toothettes • Toothbrush • Toothpaste • Urinal • Water pitcher
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Medical Equipment

The hospital basic room and critical care area room (ED, cardiac, medical, surgical, pediatric, respiratory, burn, neonate (level 3 and 4), neurological, rehabilitative, post anesthesia or recovery, and trauma) daily charges shall include the following as medical equipment. Medical equipment is not separately reimbursable and are part of the hospital's room and board charges.

The list below is not exhaustive and can also include any other items that are seen as medical equipment.

<ul style="list-style-type: none"> • Ambu bags • Arterial pressure monitors auto syringe pump • Automatic thermometers and blood pressure machines • Bed scales • Bedside commodes • Blood pressure cuffs • Blood warmers • Cardiac monitors • Crash carts (including restocking fees) • Defibrillator pads and paddles • Dinamap • Emerson pumps • Fans • Feeding pumps • Footboards • Glucometers • Guest beds • Heating or cooling pumps • Hemodynamic monitors (in critical care areas) • Infant warmers • Injections (therapeutic, prophylactic, or diagnostic) 	<ul style="list-style-type: none"> • IV pumps • Mattresses • Nebulizers • Overhead frames/over bed tables • Oximeters/Oxisensors single or continuous • Patient room furniture • PCA pumps • Penlight/flashlight • PICC line (reusable equipment associated with PICC line placement) • Pill pulverizer • Pressure bags or pressure infusion equipment • Radiant warmer • Sitz bath • Stethoscopes • Telephone • Traction equipment • Transport isolette • Wall suction, continuous, or intermittent • Wound Vac equipment (Includes third party rental)
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Facility Personnel

Facility personnel provided during inpatient and outpatient services are not able to be unbundled since those charges are included in the reimbursement of the room where the services are provided. Facility personnel provided during outpatient services are not able to be unbundled since those services are included in the reimbursement for the procedure or observation charge. The hospital basic room and critical care area room (ED, cardiac, medical, surgical, pediatric, respiratory, burn, neonate (level3 and 4), neurological, rehabilitative, post anesthesia or recovery, and trauma) daily charges shall include the following services, personal care, supply items and equipment.

This is not an all-inclusive list.

<ul style="list-style-type: none"> • Administration of blood or any blood product by nursing staff • Administration or application of any medication chemotherapy, and or IV fluids. • Arterial and venipuncture • Assisting patient onto bedpan, bedside commode, or into the bathroom • Assisting physician or other licensed personnel on 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 • 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 changes, discontinuation • Enemas • Enterostomal services • Feeding of patients • Incontinence care • Injections (therapeutic, prophylactic, or diagnostic) • Insert, discontinue, and/or maintain nasogastric tube • Maintenance and flushing of J-tubes, PEG tubes, and feeding tube of any kind • Management or participation in cardiopulmonary arrest event including obtaining and recording of blood pressure, temperature, respiration, pulse, and pulse oximetry 	<ul style="list-style-type: none"> • Medical record documentation • Monitoring and maintenance of peripheral or central IV line and sites; to include site care, dressing changes and states • Monitoring of cardiac monitors, central venous pressure lines, Swan-Ganz lines/ pressure readings, arterial line readings, telemetry, pulse oximeter monitoring, cardiac output, pulmonary arterial pressure • Neurological status checks • Nursing care • Obtaining fingerstick, blood sugars, blood samples from either venous sticks, or any type of central line catheter or PICC line, urine specimens, or body fluid specimen • Oral care • Oxygen • Patient and family education and counseling • 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 • Start or discontinuation of IV lines • Suctioning or lavaging of patients • Tracheostomy care and changing of cannulas • Transporting, ambulating range of motion, transfers to and from bed or chair • Turing and weighing patients • Urinary catheterization
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Ancillary Personnel Providing Nursing or Technical Services

Ancillary Personnel Providing Nursing or Technical Services provided within the inpatient setting are included in the daily room and board charge. The list below is of examples items and services that should not be unbundled.

This is not an all-inclusive list.

<ul style="list-style-type: none"> • Bedside glucose monitoring (Accucheck and similar) • Maintenance of oxygen administration equipment • Mixing, preparation, or dispensing of any medication, IV fluids, total parental solution (TPN), or tube feedings 	<ul style="list-style-type: none"> • No separate charge allowed for callback, emergency, standby, urgent attention, ASAP, Stat, or portable fees • Single determination or continuous pulse oximetry monitoring
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Surgical Room and Services

The facilities charge for services within the included surgical areas: surgical suites, major and minor treatment rooms, endoscopy labs, cardiac cath labs, pulmonary and cardiology procedural rooms, and X-ray will be included in the surgical room and service charge for where the service is being performed. The list below is of examples items and services that should not be unbundled.

This is not an all-inclusive list.

<ul style="list-style-type: none"> • Air conditioning and filtration • All reusable instruments charged separately • All services provided by: RN, LPN, Surgical technicians/technologists, surgical assistants, orderlies/aides • Anesthesia equipment and monitors • Any automated blood pressure equipment • Cardiac monitors • Cardiopulmonary bypass equipment • CO2 monitors • Crash carts • Digital recording equipment and readouts/DVD/CDs • Dinamap • Fracture tables • Grounding pads • Laparoscopes, bronchoscopes, endoscopes, and accessories 	<ul style="list-style-type: none"> • Lights, light handles, light cords, fiber optic microscopes • Midas Rex • Monopolar and bipolar electro-surgical/ Bovie or other cautery equipment • Obtaining laboratory specimens within the areas • Power equipment • Room heating and monitoring equipment • Room setups of equipment and supplies • Saline slush machine • Solution warmers • Surgeon's loupes or other visual aide devices • Transport monitor • Video camera equipment • Wall suction equipment • X-ray/ fluoroscopy within the areas
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In the event that a supply was presumed contaminated, considered wasted or not used during the procedure on the patient, and it was determined to be a supply that was separately reimbursable, such supply is not eligible for reimbursement.

This includes, but is not limited to:

- Any item or supplies that were prepared/opened during the procedure but not used on the patient or implanted into the patient
- Items or supplies opened by mistake
- Opened but then not used due to surgeon change of mind/procedure change
- Equipment failure or technical issues
- Procedure cancellation
- Large packages of items, implants, or supplies when more appropriate packaging is available



Reimbursement for use of an operating room is limited to one of either the operating room level/time units or procedure codes (CPT or HCPCS), providers will not be separately reimbursed for both. When charges are submitted for both operating room time units and procedure codes, the higher charged amount of the two will be allowed in the final claim payment calculations and the lesser charged amount will be disallowed.

Coding

Code	Code Description

CODING DISCLAIMER. Codes listed in this policy are for reference purposes only and may not be all-inclusive. Deleted codes and codes which are not effective at the time the service is rendered may not be eligible for reimbursement. Listing of a service or device code in this policy does not guarantee coverage. Coverage is determined by the benefit document. Molina adheres to Current Procedural Terminology (CPT®), a registered trademark of the American Medical Association (AMA). All CPT codes and descriptions are copyrighted by the AMA; this information is included for informational purposes only. Providers and facilities are expected to utilize industry standard coding practices for all submissions. When improper billing and coding is not followed, Molina has the right to reject/deny the claim and recover claim payment(s). Due to changing industry practices, Molina reserves the right to revise this policy as needed.

Documentation History

Type	Date	Action
Effective Date	12/1/2017	Issued
Revision Date(s)	4/21/2017 8/8/2018, 2/1/2020, 2/1/2021, 4/14/2021	Validated references
Revision Date	6/15/2023	Validated and updated references, added content by category

References

1. **Medicare Reimbursement Manual – Part 1, Chapter 22, Determination of Cost of Services to Beneficiaries, 2202.6 Routine Services**, available at <https://www.cms.gov/medicare/regulations-guidance/manuals/paper-based-manuals>
2. **American Association for Respiratory Care (AARC), Coding Guidelines for Certain Respiratory Care Services** (May 2020) <https://www.aarc.org/wp-content/uploads/2014/10/aarc-coding-guidelines.pdf>
3. CMS Article 53482 Billing and Coding: Repeat or Duplicate Services on the Same Day <https://www.cms.gov/medicare-coverage-database/view/article.aspx?articleId=53482>

Supplemental Information

Definitions

Term	Definition

Appendix