

# Provider Memorandum

## ER and Observation Services Billed with Admissions

Molina Healthcare of Illinois (Molina) follows the State of Illinois billing guidelines and procedures for emergency room (ER) and observation services required by the Illinois Department of Healthcare and Family Services (HFS).

Requirements for claims that contain ER and observation services that are billed on the same date of service as an admission:

- An outpatient UB-04 claim must contain at least one procedure code or an emergency department or observation revenue code as listed in the Ambulatory Procedure Listing (APL).
- Either an ER or observation service is billable on the same day as inpatient admission; however reimbursement will only be allowed for one of the service not both.
- ER or observation services performed in conjunction with an admission should be billed on a separate outpatient institutional
  - UB-04 claim – appropriate payment will be applied to both claims.
- If ER or observation services are billed with an admission on the same claim, Molina will pay the "BASE DRG" including any applicable add-ons payments minus outliers.
- If a facility is seeking payment of ER or observation services, bill on a separate outpatient institutional UB-04 claim for separate reimbursement. If seeking payment for potential outliers, an appeal must be submitted for outlier consideration and ensure to include all necessary supporting documentation.

## Emergency Room Services

- Revenue Code 0450 must be billed with one of the following HCPCS Codes: 99284, 99285, 99291, G0383, or G0384
- Revenue Code 0456 must be billed with one of the following HCPCS Codes: 99282, 99283, G0381, or G0382
- Revenue Code 0451 must be billed with the following HCPCS Code: 99281 or G0380

## Observation Services

For service dates **billed** through December 31, 2016, Revenue Code 0762 must be billed with one of the following HCPCS codes: 99218, 99219, 99220, 99234, 99235 or 99236.

Effective January 1, 2017, for **service dates** April 1, 2016 through December 31, 2016, providers have the option to bill the E and M codes with G0378, or may bill G0379 with G0378.

For service dates beginning January 1, 2017, all observation claims received by the HFS must be coded with G0379 and G0378. Providers must continue to identify two revenue lines for observation, with the first Revenue Code 0762 billed with G0379, and a second Revenue Code 0762 billed with G0378. These coding requirements also apply to claims with Medicare Part B as the primary payer (Medicare crossovers).

Please contact your Provider Service Representative if you have any question or if you would like additional information. You may also contact the Provider Services Department at (630) 203-3965 or via email at [IllinoisProviders@MolinaHealthcare.com](mailto:IllinoisProviders@MolinaHealthcare.com).