



ADMINISTRATIVE POLICY STATEMENT INDIANA MEDICAID

Policy Name	Policy Number	Date Effective
Inpatient Services – Less than 24 Hours	AD-1057	08/01/2021-12/31/2022
Policy Type		
Medical	ADMINISTRATIVE	Pharmacy
		Reimbursement

Administrative Policy Statements prepared by CareSource and its affiliates are derived from literature based on and supported by clinical guidelines, nationally recognized utilization and technology assessment guidelines, other medical management industry standards, and published MCO clinical policy guidelines. Medically necessary services include, but are not limited to, those health care services or supplies that are proper and necessary for the diagnosis or treatment of disease, illness, or injury and without which the patient can be expected to suffer prolonged, increased or new morbidity, impairment of function, dysfunction of a body organ or part, or significant pain and discomfort. These services meet the standards of good medical practice in the local area, are the lowest cost alternative, and are not provided mainly for the convenience of the member or provider. Medically necessary services also include those services defined in any Evidence of Coverage documents, Medical Policy Statements, Provider Manuals, Member Handbooks, and/or other policies and procedures.

Administrative Policy Statements prepared by CareSource and its affiliates do not ensure an authorization or payment of services. Please refer to the plan contract (often referred to as the Evidence of Coverage) for the service(s) referenced in the Administrative Policy Statement. If there is a conflict between the Administrative Policy Statement and the plan contract (i.e., Evidence of Coverage), then the plan contract (i.e., Evidence of Coverage) will be the controlling document used to make the determination.

According to the rules of Mental Health Parity Addiction Equity Act (MHPAEA), coverage for the diagnosis and treatment of a behavioral health disorder will not be subject to any limitations that are less favorable than the limitations that apply to medical conditions as covered under this policy.

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A. Subject

Inpatient Services – Less Than 24 Hours

B. Background

Inpatient services less than 24 hours should be billed as an outpatient as noted in the policy below.

C. Definitions

- **Inpatient Services** - Services provided while the member is registered as an inpatient in an acute care or psychiatric hospital for 24 hours or more.
- **Outpatient Services** - Services provided by an acute care hospital, a psychiatric hospital, an ambulatory surgical center, a clinic, or other treatment room setting to members who are registered with the facility but are not registered as an inpatient.

D. Policy

- I. For all inpatient services billed to CareSource that do not meet the definition of an inpatient service as defined in this policy will be denied, with the exception of the exclusions outlined below. Hospitals may resubmit denied claims for the services provided to the patient on the date of admission as an outpatient claim.
- II. Inpatient services are defined as:
 - A. All covered services provided to patients during the course of their inpatient stay, whether furnished directly by the hospital or under arrangement, except for direct-care services provided by physicians, podiatrists, and dentists.
 - B. Emergency room services are covered as an inpatient service when a patient is admitted from the emergency room.
- III. Exclusions to inpatient services are:
 - A. Expiration within one day of birth when the following criteria is met:
 1. Claim must be submitted with patient status code of 20 – Expired (died)
 2. Members date of birth matches the admit date on the claim
 - B. Inpatient Only Codes that are defined by Indiana Health Coverage Programs

E. Conditions of Coverage

Reimbursement is dependent on, but not limited to, billing based on correct coding guidelines. Prior authorization of the inpatient services is not a guarantee of payment. The code table is a subset of the procedure codes from the Medicare Inpatient-Only (IPO) list that the Indiana Health Coverage Programs has determined to be billable as inpatient procedures even when the member is in the hospital for less than 24 hours.

F. Related Policies/Rules

NA



G. Review/Revision History

	DATES	ACTION
Date Issued	10/16/2019	
Date Revised	01/05/2021	Changed from reimbursement policy
Date Effective	08/01/2021	
Date Archived	12/31/2022	This Policy is no longer active and has been archived. Please note that there could be other Policies that may have some of the same rules incorporated and CareSource reserves the right to follow CMS/State/NCCI guidelines without a formal documented Policy.

H. References

1. “Indiana Health Coverage Programs.” Indiana Health Coverage Programs - Provider Code Sets - Inpatient Hospital Service Codes. Retrieved on January 5, 2021 from www.provider.indianamedicaid.com
2. Indiana Family & Social Services Administration. (2020, March 1). Inpatient Hospital Services. Provider Reference Module. Retrieved January 5, 1021 from www.in.gov
3. Indiana Administrative Code. 405 IAC 5-2-12. (2016, August 1). Retrieved January 5, 2021 from www.in.gov

The Administrative Policy Statement detailed above has received due consideration as defined in the Administrative Policy Statement Policy and is approved.

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Approved OMPP 05/03/2021

