



# ADMINISTRATIVE POLICY STATEMENT

## Ohio Medicaid

Policy Name & Number	Date Effective
Three-Day Window Payment-OH MCD-AD-1001	07/01/2022
Policy Type	
ADMINISTRATIVE	

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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

**Three-day Window Payment**

B. Background

The Ohio Administrative Code 5160-2-02(B)(2) states that for inpatient admissions that begin on or after January 1, 2016, outpatient services provided within three calendar days prior to the date of admission in hospitals will be covered as inpatient services. This includes emergency room and observation services.

C. Definitions

- **Inpatient** - Member who is admitted to a hospital based upon the written orders of a physician or dentist and whose inpatient stay continues beyond midnight of the day of admission.
- **Outpatient Services** - Diagnostic, therapeutic, rehabilitative, or palliative treatment or services furnished by or under the direction of a physician or dentist which are furnished to an outpatient by a hospital. Outpatient services do not include direct-care services provided by physicians, podiatrists and dentists.
- **Inpatient Services** - Inpatient services include all covered services provided to members during the course of their inpatient hospital stay except for direct-care services provided by physicians, podiatrists, and dentists. Emergency room (ER) services are covered as an inpatient service when member is admitted from the ER.
- **Behavioral Health (BH) Services** - Mental health and substance use disorder services. Hospitals that provide outpatient BH services must meet the Medicare conditions of participation, have accreditation by a national accrediting body, and have accreditation for the BH services that they provide.

D. Policy

I. Three-Day Payment Rule.

- A. Claims submitted for outpatient services (including emergency room and observation services) that were provided within the three calendar days prior to the inpatient admission for the same member for the same hospital will be denied because the inpatient and outpatient services must be combined.
  1. The outpatient services and inpatient admission must be submitted on one inpatient claim.
  2. The dates of the claims should begin with the outpatient service through the inpatient discharge.
- B. If the outpatient hospital submits the claim separately before the inpatient hospital submits their claim, the inpatient claim will be deemed as a duplicate claim and will be denied payment. The inpatient hospital will need to work with the outpatient hospital to pay the outpatient visit and to have the outpatient hospital void its paid claim for the outpatient service. The inpatient hospital should then resubmit the claim so that it includes inpatient and outpatient services.
- C. To avoid duplication for nursing facility residents:
  1. The outpatient service claim should note the entire inpatient stay along with the dates of the outpatient services; and



2. The nursing facility claim should note the room and board days with the hospital leave days.

II. Outpatient hospital behavioral health services provided in the outpatient hospital setting within three calendar days prior to the inpatient admission are exempt from the three-day window policy.

E. Conditions of Coverage  
NA

F. Related Policies/Rules  
NA

G. Review/Revision History

DATES		ACTION
<b>Date Issued</b>	10/30/2019	
<b>Date Revised</b>	TBD	Changed from PY. Added to the same hospital in I. A.
	02/04/2022	Annual review. Editorial changes
<b>Date Effective</b>	07/01/2022	
<b>Date Archived</b>		

H. References

1. Hospital Billing Guidelines - [medicaid.ohio.gov](http://medicaid.ohio.gov). (2018, July 1). Retrieved February 4, 2022 from [www.medicaid.ohio.gov](http://www.medicaid.ohio.gov).
2. Ohio Administration Code Chapter 5160-2. Hospital Services. (2016, January 1). Retrieved February 4, 2022 from [www.codes.ohio.gov](http://www.codes.ohio.gov).
3. Ohio Administration Code Chapter 5160-2-75V1 Outpatient Hospital Reimbursement. (2020, January 2). Retrieved February 4, 2022 from [www.codes.ohio.gov](http://www.codes.ohio.gov).

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