

A Message to

Business Office Managers



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Memo No. 18-06

TO: AmeriHealth Participating Hospitals in New Jersey

FROM: Michael S. Zollenberg 
Director, Hospital and Ancillary Services

DATE: August 28, 2006

SUBJECT: BILLING INSTRUCTION REMINDERS: MULTIPLE SURGICAL PROCEDURES AND OUTPATIENT SERVICES/INPATIENT ADMISSIONS

The purpose of this bulletin is to serve as a reminder of the billing instructions and reimbursement methodology for multiple surgical procedures performed in a hospital's short procedure unit (SPU) and for outpatient services followed by an inpatient admission. This information is contained in the "Billing" section of *AmeriHealth's Hospital Manual*.

Billing and Reimbursement of Multiple Surgical Procedures

Claims with multiple surgical procedures are reimbursed in the order that they appear on the claim. Therefore, it is very important that the procedure codes are sequenced properly.

- The primary surgical procedure must be reported first with the appropriate CPT4 procedure code in Form Locator 44.
- Secondary procedure(s) are to be reported on subsequent line(s) on the claim with the same revenue code as the primary procedure, plus the appropriate CPT4 procedure code in Form Locator 44.

The primary procedure reported on the claim is reimbursed at 100% of your hospital's negotiated Outpatient Surgery Fee Schedule rate. Secondary procedures are reimbursed at 50% of your hospital's fee schedule rate for those procedures. Some secondary procedures are considered incidental to another surgical procedure and will not be separately reimbursed.

We encourage you to share this information with appropriate members of your staff.

Outpatient Services/Inpatient Admission

AmeriHealth's hospital inpatient per diem and per case reimbursement includes payment for all supplies, drugs, biologicals, equipment, preadmission tests and ancillary services provided during the inpatient stay, on the day of the admission, and/or on the day of discharge. There is no additional payment for these outpatient services.

Charges for outpatient services rendered to the member during the inpatient stay, on the day of the admission, and/or on the day of the discharge are to be reported on the inpatient claim. If a hospital submits a separate claim for outpatient services that were, or should have been, reported on the member's inpatient claim, the outpatient claim is denied as a duplicate. Please note that this is not a change in policy. AmeriHealth has previously reimbursed for such services in this manner and continues to do so.

If you have any questions about this bulletin, please contact your Hospital Service Coordinator or the Hospital Services Department at 856-778-6500 or 732-726-6700.