First Health Services Corporation
A Magellan Health Company

Billing Guidelines for Provider Type 12

Hospital, Outpatient

Outpatient Hospital Policy

General medical/surgical hospitals commonly provide outpatient services, including but not limited to:

- Clinic, office, emergency room (ER) and urgent care
- Observation, laboratory, radiology, therapy and diagnostic services
- Simple, surgical procedures using local anesthetic or moderate sedation

Complete outpatient hospital services policy pertaining to **facility responsibility** is located in Medicaid Services Manual (MSM) Chapter 200. This chapter and all other MSM chapters are on the Division of Health Care Financing and Policy (DHCFP) website, http://dhcfp.nv.gov.

The following MSM chapters contain policy related to **provider responsibilities** and **prior authorization (PA) requirements** for services provided in an outpatient hospital setting:

- Chapter 300 - Diagnostic Testing and Radiological Services
- Chapter 600 - **Physician** and licensed professionals' **responsibilities** and some procedures performed in an outpatient hospital (e.g., wound, burn and diabetic care) and **ER policy**.
- Chapter 800 - Laboratory Services
- Chapter 1200 - Prescription/Infusion Services
- Chapter 1700 - Therapy Services
- Chapter 1900 - Transportation

Other Resources

MSM Chapter 100 provides general Nevada Medicaid policy regarding eligibility, coverage and limitations. This chapter contains important information applicable to all provider types.

For **reimbursement rates**, see the "Provider Type 12: Outpatient Hospital Rates" document on the Rates page of the DHCFP website.

The **First Health Services website** at http://nevada.fhsc.com provides information on many subjects including provider training, billing, pharmacy, PA, provider appeal rights related to claim and PA determinations, and PA reconsiderations.

The Emergency Room Code List and ASC Payment Groups and Procedures are also on First Health Services' website (select "Procedure and Diagnosis Reference Lists" from the Prior Authorization menu).

Prior Authorization (PA)

All program limitations for services apply (e.g., therapy, wound care, diabetic training, minor surgeries.)

Services provided in the ER do not require PA.

Emergency acute hospital admissions directly from ER require authorization within one business day of the date of admission.

A PA is required for acute hospital admission from outpatient observation status before admission. If an emergency develops during observation, the emergency admission rules apply.

To request PA, either use form FH-3 or log in to the Online Prior Authorization System (OPAS).

If First Health Services requests additional information to complete a PA determination, the information must be submitted within one business day for eligible recipients or within five business days for retro-eligible recipients.

An approved PA is valid for the dates of service shown on the authorization. If service can not be provided within the authorized dates, the PA becomes invalid and the provider must obtain another authorization that reflects the proper service dates.

Any service requiring PA that is not prior authorized will be denied for payment.

An approved PA does not guarantee claims payment. Payment is contingent upon eligibility, available benefits, contractual terms, limitations, exclusions, coordination of benefits and other terms and conditions set forth by the benefit program.

Managed Care Vs. Fee For Service

When a recipient is enrolled in a Managed Care Organization (MCO), request PA from and submit claims to the MCO.

For recipients in the Fee For Service plan, PA is requested and payment is issued through First Health Services.

Take Home Drugs

Take home drugs are billed through the Point-of-Sale (POS) system using the hospital's Pharmacy NPI. Do not include take home drugs on your UB-04/837I claim.

See MSM Chapter 1200 for Nevada Medicaid coverage and criteria for medications.

Non-emergent Use of the ER

Non-emergent use of the ER must be billed at the lowest level ER service code appropriate, either 99281 or 99282.