

December 2<sup>nd</sup>, 2015

Dear Facility,

Throughout inpatient and outpatient hospital settings, everyday medical supplies are used by both staff and patients to help increase safety and reduce the risk of hospital acquired infection. Routine medical and surgical supplies include both reusable and disposable items used in the administration of medications, gloves, and cardiac monitors, which are directly related to the services provided.

Though some routine supplies have assigned HCPCS codes and may carry a CMS RVU value, these items are often included in the primary service or facility fee allowed amount calculation, and are not eligible for separate reimbursement. This topic is addressed in Moda Health's Hospital Routine Supplies and Services Reimbursement Policy.

### **New reimbursement policy**

Applicable to all inpatient and outpatient hospital claims with admission dates of service beginning **February 1, 2016**, solutions used to dilute or administer substances, drugs or medications such as heparin, saline, and IV flushes will not be reimbursed when billed separately. Moda will continue our current process for claims containing all routine supplies and services based on industry standard guidelines, as documented in the remainder of this policy.

In most cases, payment for these supplies is included in the administration charge, which is reportable with a CPT or HCPCS code. In the hospital setting, the administration service is included in the room charge or facility fee, and reimbursement for these supplies is included in the reimbursement for the eligible services.

For example, CPT J1642 (Injection, heparin sodium [heparin lock flush], per 10 units) describes heparin flushes. Heparin flushes are not considered a medication, and per CPT and CMS guidelines they are included in the administration service and not eligible for separate reimbursement.

To view Moda Health's Hospital Routine Supplies and Services Reimbursement Policy, please visit [modahealth.com/pdfs/reimburse/RPM043.pdf](http://modahealth.com/pdfs/reimburse/RPM043.pdf).

### **Questions?**

We're here to help! Please call our Provider Relations team toll-free at 877-299-9062 or email us at [providerrelations@modahealth.com](mailto:providerrelations@modahealth.com).

Sincerely,

Moda Health Provider Relations

