Routine Supplies & Services

Policy REIMB-044

Origination Date: 05/28/2025

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Disclaimer:

1. Policies are subject to change in accordance with State and Federal notice requirements.
2. Policies outline coverage determinations for U of U Health Plans Commercial, CHIP and Healthy U (Medicaid) plans. Refer to the "Policy" section for more information.
3. Services requiring prior-authorization may not be covered, if prior-authorization is not obtained.
4. This Medical Policy does not guarantee coverage or payment of the service. The service must be a benefit in the member's plan and the member must be eligible for coverage at the time of service. Additional payment guidelines may be applied that are not included in this policy.
5. Provisions and terms of the provider contract may supersede this policy.

Description:

According to the Centers for Medicare & Medicaid Services (CMS) "Routine services are the regular room, dietary and nursing services, minor medical and surgical supplies, medical social services, psychiatric social services, and the use of certain equipment and facilities for which a separate charge is not customarily made." Also, "inpatient routine services in a hospital generally are those services included by the provider in a daily service charge--sometimes referred to as the 'room and board' charge."

Routine Services are not separately billable and are included in the general cost of the room where services are being rendered or the reimbursement of the associated surgery or procedure. Routine Services are composed of two board components: general routine supplies and services, and special care units (SCU's), including coronary care units (CCU's) and intensive care Units (ICU's). Routine Services identified on the claim or itemized bill, are not eligible for separate reimbursement and are not eligible to be included in outlier calculations.

Any supplies, items and services that are necessary or otherwise integral to the provision of a specific service and/or the delivery of services in a specific location are considered a Routine Service and thus ineligible for separate reimbursement. Payment for Routine Services is included in U of U Health Plans payment for room and board.

The following rules generally apply:

1. Claim review conducted on an itemized statement requires an examination of that statement and the associated medical records in order to be able to appropriately review for unbundled charges and/or inappropriate charges. This applies for all inpatient and outpatient claims. Claims are expected to be submitted using codes from approved codes. These valid code sets are outlined by the Health Insurance Portability and Accountability Act (HIPAA)
2. Industry standard coding guidelines must be followed, including but not limited to: American Medical Association (AMA), Current Procedural Terminology (CPT), Healthcare Common Procedure Coding System (HCPCS), Diagnoses Related Groups (DRG) guidelines, Uniform Billing (UB), National Correct Coding Initiative (CCI) Policy Manual, and Centers for Medicare and Medicaid Services (CMS) this is not an all-inclusive list.
3. In the event of a conflict, federal and state guidelines, as applicable, as well as the member's benefit plan document supersede the information in this policy. Additionally, to the extent there are any conflicts between this policy and the provider contract language, the provider contract language will prevail.
4. Coverage may be mandated by applicable legal requirements of a State, the Federal government or the Centers for Medicare and Medicaid Services (CMS).

Policy Statement and Criteria

1. Commercial Plans/CHIP

U of U Health Plans considers routine supplies and services part of the "room care" or accommodation charges, whether inpatient room and board or outpatient room settings (not an all-inclusive list, but examples of outpatient room settings include emergency room, procedure or operating room or surgical suite, endoscopy lab, cardiac catheter lab, post-anesthesia recovery room, etc.). The following facility supplies and services are considered not separately reimbursable because they are considered incidental to the facility charge:

A. Any supplies, items and services that are necessary or otherwise integral to the provision of a specific service and/or the delivery of services in a specific location are considered routine services and not separately billable in the inpatient and outpatient environments.

B. Routine items or services included in the daily room and board charge for the level of care being provided. These items or services are considered included in the basic room or critical care area room (e.g., cardiac, medical, surgical, pediatric, respiratory, burn, neonate (level III and IV), neurological, rehabilitative, post-anesthesia recovery room, trauma, etc.) daily charge. The facility's charge for surgical suites and services shall include nursing personnel services, supplies, and equipment, included in the basic or critical care daily room charges.

C. Routine items or services included in the facility charge for the primary medical service being provided (e.g., surgical services and associated anesthesia services).

D. Items or services that are determined to be inappropriate or excessive.

E. Items or services that are determined to be duplicative.

F. Items or services that are wasted, broken, or destroyed.

G. Nursing care and/or treatment that is within the scope of normal nursing practice. Assistance by hospital staff for any bedside procedures performed by physicians or other healthcare professionals regardless of patient location.

H. Transportation, including monitoring while being transported, within the facility.

The following are further details on specific services that U of U Health Plans considers a routine service:

For In-Network providers that are billed under an all-inclusive payment method, all services provided during a member's time at a facility (inpatient or outpatient) should be billed by the facility and not by a third party. Third party services provided to the member during their time at a facility (inpatient or outpatient) are the responsibility of the facility and may be denied by U of U Health Plans.

Disposable supplies provided for care in an outpatient setting are not eligible for unbundled reimbursement. Disposable supplies include, but are not limited to, syringes, needles sheaths, blood or urine testing supplies, (except as treatment for diabetes), bags, garments, stockings, bandages, belts gauze and replacement batteries.

Medically necessary durable medical equipment required for immediate inpatient or outpatient discharge such as crutches, canes and braces or other such medical devices necessary to allow the patient to timely and safely leave the facility may qualify for separate reimbursement. Documentation must support that the patient was discharged home with this equipment.

U of U Health Plans will not reimburse for individual laboratory tests when the tests performed are included in an ordered laboratory panel. When individual laboratory tests are included in a laboratory panel, the panel code should be reported on the itemized bill.

Medications administered to the patient shall not include an additional separate charge for: administration of the medication, supplies/materials for preparation and administration, and/or services rendered by pharmacists and other pharmacy personnel.

The critical care area room and board (ED, cardiac, medical, surgical, pediatric, respiratory, burn, neonate (level 3 and 4), neurological, rehabilitative, post anesthesia or recovery, and trauma) daily charges shall include personal care, supply items and equipment.

2. Medicaid Plans

Coverage is determined by the State of Utah Medicaid program; if Utah State Medicaid has no published coverage position and InterQual criteria are not available, the U of U

Health Plans Commercial criteria will apply. For the most up-to-date Medicaid policies and coverage, please visit their website at: https://medicaid.utah.gov/utah-medicaid-official-publications/ or the Utah Medicaid code Look-Up tool

CPT/HCPCS codes covered by Utah State Medicaid may still require further evaluation to determine medical necessity for coverage.

Applicable Coding

CPT Codes

Too numerous to mention

HCPCS Codes

Too numerous to mention

References:

1. American Association for Respiratory Care (AARC), Coding Guidelines for Certain Respiratory Care Services (May 2020) https://www.aarc.org/wp-content/uploads/2014/10/aarc- coding-guidelines.pdf
2. Centers for Medicare & Medicaid Services (CMS) Article 53482 Billing and Coding: Repeat or Duplicate Services on the Same Day https://www.cms.gov/medicare-coverage-database/view/article.aspx?articleId=53482
3. Centers for Medicare & Medicaid Services (CMS). MLN Matters® Number: SE1333. Temporary Instructions for Implementation of Final Rule 1599-F for Part A to Part B Billing of Denied Hospital Inpatient Claims. https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/SE1333.pdf.
4. Centers for Medicare & Medicaid Services (CMS). Provider Reimbursement Manual – Part 1, Chapter 22, §2202.4, §2202.6, §2202.8, §2203. https://www.cms.gov/Regulations-andGuidance/Guidance/Manuals/Paper-Based-Manuals-Items/CMS021929.