

ADMINISTRATIVE POLICY STATEMENT

Michigan Health Link

Policy Name & Number	Date Effective
Itemized Billing-MI Health Link-AD-1421	06/01/2024
Policy Type	
ADMINISTRATIVE	

Administrative Policy Statement prepared by CareSource and its affiliates are derived from literature based on and supported by clinical guidelines, nationally recognized utilization and technology assessment guidelines, other medical management industry standards, and published MCO clinical policy guidelines. Medically necessary services include, but are not limited to, those health care services or supplies that are proper and necessary for the diagnosis or treatment of disease, illness, or injury and without which the patient can be expected to suffer prolonged, increased or new morbidity, impairment of function, dysfunction of a body organ or part, or significant pain and discomfort. These services meet the standards of good medical practice in the local area, are the lowest cost alternative, and are not provided mainly for the convenience of the member or provider. Medically necessary services also include those services defined in any Evidence of Coverage documents, Medical Policy Statements, Provider Manuals, Member Handbooks, and/or other policies and procedures.

Administrative Policy Statements prepared by CareSource and its affiliates do not ensure an authorization or payment of services. Please refer to the plan contract (often referred to as the Evidence of Coverage) for the service(s) referenced in the Adminis



A. Subject

Itemized Billing

B. Background

Itemized bill review is the analysis of inpatient facility itemized billing statements against CareSource policies and industry standard guidelines, as well as state and/or federal billing guidelines. CareSource may request an itemized bill for an inpatient facility claims to verify that billed revenue codes represent charges for appropriately billed items, supplies, and services. Routine items, supplies, and services are to be included in the primary inpatient room and board charge and are not separately reimbursable.

C. Definitions

- **Inpatient Hospital Claim** Claims submitted for a member who has been admitted by a physician order to an inpatient hospital bed to receive inpatient services.
- **Itemized Bill** A comprehensive list of all services and goods provided during the inpatient hospital stay, which lists the costs and descriptions associated with the service and/or good.

D. Policy

- I. CareSource follows the *CMS Provider Reimbursement Manual* guidelines, chapter 22, sections 2202.6 and 2203.
 - A. Routine services defined by CMS chapter and section above are services included by the provider in a daily service charge, sometimes referred to as the
 - B. Routine services are composed of two broad components: (1) general routine services, and (2) special care units (SCUs), including coronary care units (CCUs)

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



- G. rental equipment
- H. routine supplies

IV. If upon review of the itemized bill, charges are determined to exceed state or federal reimbursement guidelines or a CareSource specific policy, then reimbursement will be reduced accordingly.

V. Provider exception requests to reimbursement reductions may be submitted via standard provider appeal process and should include supporting documentation (eg, medical records or operative notes to support requested payment exception).

E. Conditions of Coverage
NA

F. Related Policies/Rules
NA

G. Review/Revision History

DATE		ACTION
Date Issued	12/13/2023	New policy. Approved at Committee.
Date Revised	03/13/2024	Review: updated references. Approved at Committee
Date Effective	06/01/2024	
Date Archived		

H. References

1. Determination of cost of services. *The Provider Reimbursement Manual, I*. Centers for Medicare and Medicaid Services. Publication 15-1. Accessed February 21, 2024. www.cms.gov
2. Outlier payments. Centers for Medicare and Medicaid Services. September 6, 2023. Accessed February 21, 2024. www.cms.gov
3. Payments for Outlier Cases, 42 C.F.R. §§ 412.80-84 (2023).

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