BlueCross BlueShield of New Mexico

If a conflict arises between a Clinical Payment and Coding Policy ("CPCP") and any plan document under which a member is entitled to Covered Services, the plan document will govern. If a conflict arises between a CPCP and any provider contract pursuant to which a provider participates in and/or provides Covered Services to eligible member(s) and/or plans, the provider contract will govern. "Plan documents" include, but are not limited to, Certificates of Health Care Benefits, benefit booklets, Summary Plan Descriptions, and other coverage documents. BCBSNM may use reasonable discretion interpreting and applying this policy to services being delivered in a particular case. BCBSNM has full and final discretionary authority for their interpretation and application to the extent provided under any applicable plan documents.

Providers are responsible for submission of accurate documentation of services performed. Providers are expected to submit claims for services rendered using valid code combinations from Health Insurance Portability and Accountability Act ("HIPAA") approved code sets. Claims should be coded appropriately according to industry standard coding guidelines including, but not limited to: Uniform Billing ("UB") Editor, American Medical Association ("AMA"), Current Procedural Terminology ("CPT®"), CPT® Assistant, Healthcare Common Procedure Coding System ("HCPCS"), ICD-10 CM and PCS, National Drug Codes ("NDC"), Diagnosis Related Group ("DRG") guidelines, Centers for Medicare and Medicaid Services ("CMS") National Correct Coding Initiative ("NCCI") Policy Manual, CCI table edits and other CMS guidelines.

Claims are subject to the code edit protocols for services/procedures billed. Claim submissions are subject to claim review including but not limited to, any terms of benefit coverage, provider contract language, medical policies, clinical payment and coding policies as well as coding software logic. Upon request, the provider is urged to submit any additional documentation.

Inpatient/Outpatient Unbundling Policy - Facility

Policy Number: CPCP002

Version: 5.0

Enterprise Clinical Payment and Coding Policy Committee Approval Date: December 21, 2023

Plan Effective Date: December 27, 2023

Description:

Unbundling occurs when charges are billed that may be represented by or are included in the description of another billed service. The information in this policy pertains to covered medical and surgical services, supplies, and equipment, and is not intended to be all inclusive. Nor is this policy intended to impact care

decisions or medical practice. Health care providers (facilities, physicians, and other qualified health care (QHP) professionals) are expected to exercise independent medical judgment in providing care to members.

Reimbursement Information:

A claim review conducted on an itemized statement involves an examination of that statement and may include the associated medical records for unbundling of charges and/or inappropriate charges whether the member's status is outpatient or inpatient.

Terms/Descriptions:

Contaminated, Not Utilized or Waste

Items that are contaminated, wasted and/or were not utilized during the provisioned services on the member are not eligible for reimbursement, including but not limited to:

- Any items or supplies that were prepared or opened during a procedure or service but **not** used or implanted into the member.
- Non utilized supplies, durable medical equipment (DME), including but not limited to, crash carts and emergency drugs.
- Items or supplies opened by mistake.
- Change of mind by the surgeon to use an item or supply for the member.
- Equipment failure/technical difficulties.
- Surgery case cancellation; and
- Large packages of items, supplies or implants when more appropriate packaging can be purchased.

Disposable supplies furnished to members in both inpatient and outpatient settings are ineligible for separate reimbursement. Disposable supplies include, but are not limited to, the following: syringes, needles, blood or urine testing supplies (except as used in the treatment of diabetes), sheaths, bags, elastic garments, stockings, bandages, garter belts, gauze and replacement batteries.

Equipment commonly available to members in a particular setting or ordinarily furnished to members during the course of a procedure, even though the equipment is rented by the hospital, is considered routine and ineligible for separate reimbursement and should not be billed separately.

Incidental Services

The plan excludes the cost of incidental services when performed with the primary procedure and is clinically integral to the successful outcome of the primary procedure, including technical charges for equipment and its purchase, rental, and maintenance. Compensation for such incidental services may not be billed separately by the provider or another provider or other entity.

Mutually Exclusive

Mutually exclusive procedures are those procedures that cannot reasonably be performed together or on the same member on the same day based on the code definitions or anatomic considerations.

Point-of-Care Testing (POC or POCT)
Testing that is performed near or at the site of a member with the result leading to possible change in the care of the member.

Routine Bundled Services and/or Supplies
Routine services and supplies are included by the provider in the general charge of the location where services are being rendered or the charge for the associated surgery or other procedures or services. A separate payment is never made for routine bundled services and supplies and therefore is ineligible for separate reimbursement and should not be billed separately. These are considered floor stock and are generally available to all members receiving services. Examples include drapes, saline solutions (e.g., flush and irrigation) and reusable items. The following guidelines may assist providers in identifying items, supplies, and services that are ineligible for separate reimbursement and should not be billed separately. This is not an all-inclusive list.

- 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 in the inpatient and outpatient environments.
- All reusable items, supplies and equipment that are provided to all members during an inpatient or outpatient encounter are ineligible for separate reimbursement and should not be billed separately.
- All reusable items, supplies and equipment, such as pulse oximeter, blood pressure cuffs, bedside table, etc., that are provided to all members are ineligible for separate reimbursement and should not be billed separately.
- All reusable items, supplies and equipment that are provided to all members receiving the same service are ineligible for separate reimbursement and should not be billed separately.

Routine services are those services included by the provider in a daily service charge, often times referred to as the "room and board" charge. Routine services are composed of two broad components: **(1) general routine service**, and **(2) special care units (SCU)**, including **coronary care units (CCU)** and **intensive care units (ICU)**.

- Included in routine services are the regular room, dietary services, 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 applicable.

Special Care Units include, but are not limited to, the routine services described above which are included within the overall specialty unit or room charge and are not eligible for reimbursement if unbundled or billed separately from the specialty unit or room charge. These units must be equipped or have available for immediate use, life-saving equipment necessary to treat critically ill members. The equipment necessary to treat critically ill members may include, but is not limited to:

- respiratory and cardiac monitoring equipment
- Respirators
- Cardiac defibrillators
- Wall or canister oxygen and compressed air

Routine Supplies, Medical Equipment, and Facility Basic Charges:

The hospital basic room and critical care area room (i.e., emergency department, observation, treatment room, cardiac, medical, surgical, pediatric, burn, neonate (level III and IV), neurological, rehabilitative, post-anesthesia or recovery, and trauma) daily charges shall include all of the following services, personal care and supplies, items, ancillary personnel providing nursing or technical services, equipment and respiratory supplies and services.

The sections below are examples of items, equipment, and services that should not be billed separately. Please note that the lists are not all inclusive.

Routine Supplies	
Admission, hygiene, and or comfort kits	Needles
Alcohol swabs	Odor eliminator/ Room deodorizer
Arterial blood gas kits	Oral Swabs
Baby powder	Oxygen masks
Band-aids	PICC (peripherally inserted central catheter) Line
Basin	Pillows
Bedpan, regular or fracture pan	Preparation kits
Blood tubes	Razors
Cotton balls, sterile or nonsterile	Restraints
Deodorant	Reusable sheets, blankets, pillowcases, draw sheets, underpads, washcloths and towels
Drapes	Saline solutions (e.g., flush and irrigation)
Emesis Basin	Shampoo
Gloves used by members or staff	Sharps containers
Gowns used by members or staff	Shaving Cream
Heat light or heating pad	Skin cleansing liquid
Ice packs	Soap

Interactive telecommunication or information technology devices	Socks/Slippers
Irrigation solutions	Specipan
Items used to obtain a specimen or complete a diagnostic or therapeutic procedure	Sputum Trap
IV (intravenous) arm boards	Syringes
Kleenex tissues	Tape
Lemon glycerin swabs (flavored swabs)	Thermometers
Lotion	Toilet tissue
Lubricant Jelly	Tongue depressors
Masks/respirators used by members or staff	Toothettes, oral swabs
Meal Trays	Toothbrush
Measuring pitcher	Toothpaste
Mid-stream urine kits	Urinal
Mouth care kits	Water pitcher
Mouthwash	

Medical Equipment	
Ambu bag	Heating or cooling pumps
Anesthesia machine monitors	Hemodynamic monitors (inclusive of Critical Care room charge only)
Aqua pad motor	Humidifiers
Arterial pressure monitors (inclusive of Critical Care room charge only)	Infant warmer
Auto Syringe Pump	Injections (Therapeutic, prophylactic, or diagnostic)
Automatic thermometers and blood pressure	IV pumps; poles; single and multiple line; tubing

machines	
Bed scales	Nebulizers
Bedside commodes	Overhead frames
Blood pressure cuffs	Over-bed tables
Blood warmers	Oximeters/Oxisensors- single use or continuous
Cardiac monitors	Member room furniture; manual, electric, semi-electric beds
C02 monitors	PCA pump
Crash cart	Penlight or other flashlight
Defibrillator and paddles	PICC Line (reusable equipment associated with PICC Line placement)
Digital recording equipment and printouts	Pill pulverizer
Dinamap	Pressure bags or pressure infusion equipment
Emerson pumps	Radiant warmer
Fans	Sitz baths
Feeding pumps	Stethoscopes
Flow meters	Telephone
Footboard	Televisions
Glucometers	Traction equipment
Gomco pumps	Transport isolette
Guest beds	Wall Suction, continuous or intermittent

Facility Basic Charges	
Administration of blood or any blood product by nursing staff (does not include tubing, blood bank preparation, etc.)	Monitoring of cardiac monitors; CVP (central venous pressure) lines; Swan-Ganz lines/pressure readings; arterial lines/ readings; pulse oximeters; cardiac

	output; pulmonary arterial pressure
Administration or application of any medicine, chemotherapy, and/or IV fluids	Neurological status checks
Arterial and Venipuncture	Nursing care
Assisting members onto bedpan, bedside commode, or into bathroom	Obtaining and recording of blood pressure, temperature, respiration, pulse, pulse oximetry
Assisting physician or other licensed personnel in performing any type of procedure in the member's room, treatment room, surgical suite, endoscopy suite, cardiac catheterization lab; or x-ray	Obtaining: finger-stick blood sugars; blood samples from either venous sticks or any type of central line catheter or PICC line; urine specimens; stool specimens; arterial draws; sputum specimens; or body fluid specimen
Bathing of members	Oral care
Body preparation of deceased members	Oxygen
Cardiopulmonary resuscitation	Member and family education and counseling
Changing of dressing, bandages and/or ostomy appliances	No separate charges will be allowed for callback, emergency, standby, urgent attention, ASAP, stat, or portable fees
Changing of linens and member gowns	PICC Line
Chest tube maintenance, dressing change, discontinuation	Point-of-Care Testing (POC or POCT) , i.e., Accucheck, single determination or continuous pulse oximetry monitoring, istat abg, istat cap bg, istat cord bg
Enemas	Preoperative care
Enterostomal services	Respiratory therapy services
Feeding of members	Set up and/or take-down of: IV pumps, suctions, flow meters, heating or cooling pumps, over-bed frames; oxygen; feeding pumps; TPN; traction equipment; monitoring equipment
Incontinence care	Shampoo hair
Injections (Therapeutic, prophylactic, or diagnostic)	Start and/or discontinue IV lines

Insert, discontinue, and/or maintain nasogastric tubes	Suctioning or lavaging of members
Intubation	Telemetry
Maintenance and flushing of J-tubes, PEG tubes, and feeding tubes of any kind	Tracheostomy care and changing of cannulas
Maintenance of oxygen administration equipment	Transporting, ambulating, range of motion, transfer to and from bed or chair
Management or participation in cardiopulmonary arrest event. Obtaining and recording of blood pressure, temperature, respiration, pulse, pulse oximetry	Turning and weighing members
Medical record documentation	Urinary catheterization
Mixing, preparation, or dispensing of any medications, IV fluids, total parenteral nutrition (TPN), or tube feedings	Ventilator support and management
Monitoring and maintenance of peripheral or central IV lines and sites – to include site care, dressing changes, and flushes	

Surgical Rooms and Services

Includes surgical suites, major and minor, treatment rooms, endoscopy labs, cardiac cath labs, X-ray, pulmonary and cardiology procedural rooms. The hospital's charge for surgical suites and services shall include nursing personnel services, supplies, and equipment (as included in the basic or critical care daily room charges). In addition, the following services and equipment will be included in the surgical rooms and service charges.

The section below are examples of items, equipment and services that should not be billed separately. Please note this list is not all inclusive.

Surgical Rooms and Services	
Air conditioning and filtration	Lights, light handles, light cord, fiber optic microscopes
All reusable instruments charged separately	Midas Rex
All services rendered by RN's, LPN's, scrub technicians, surgical assistants, orderlies, and aides	Monopolar and bipolar electrosurgical/Bovie or cautery equipment
Anesthesia equipment and monitors	Obtaining laboratory specimens
Any automated blood pressure equipment	Power equipment
Cardiac monitors	Room heating and monitoring equipment
Cardiopulmonary bypass equipment	Room set-ups of equipment and supplies
CO2 monitors	Saline slush machine
Crash carts	Solution warmer
Digital recording equipment and printouts	Surgeons' loupes or other visual assisting devices
Dinamap	Transport monitor
Fracture tables	Video camera and tape
Grounding pads	Wall suction equipment
Hemochron	X-ray film
Hemoconcentrator	
Laparoscopes, bronchoscopes, endoscopes, and accessories	

Respiratory Therapy Charges

Respiratory therapy charges include all nursing care, respiratory technician time, personnel, routine disposable and/or reusable equipment, supplies and/or items, and necessary fees to complete the respiratory therapy service(s) or procedure(s). Additionally, the following types of oxygen or breathing treatments are included in the respiratory therapy charge: aerosol, incentive spirometry, intermittent positive pressure breathing (IPPB) therapy, percussion or postural drainage treatment, and ultrasonic nebulizer.

Ventilator Charges

Ventilator charges include, but are not limited to, the following respiratory technician services: Respiratory assessment, intubation and/or extubation charges and any related supplies, manual ventilation charges during any in hospital transport, endotracheal tube care.

Ventilator charges include, but are not limited to, the following components: Ambu bag, ventilator machine(s), breathing circuit, intermittent mandatory ventilation (IMV) circuit, positive end-expiratory pressure (PEEP), technician time, water, and disposable ventilator supplies.

Oxygen Charges

Oxygen charges are not eligible for separate reimbursement. Oxygen charges include, but are not limited to, the following components: oxygen, water, respiratory therapy technician time, oxygen distribution or delivery of supplies or equipment (e.g., flow meter, humidifier, a croupette), all disposable supplies, nasal cannula, nasal catheter, associated masks, tent or hood, T-piece, and isolette(s).

Coding and Billing

When billing for a drug, supply, service or procedure, providers should select the CPT or HCPCS code that accurately describes the administered drug(s), service(s) or procedure(s) performed. If and only if no code exists, providers should report the appropriate unlisted code. Unlisted codes are used as a last resort and only when there is not a more appropriate code. Submission of an unlisted code must be submitted with supporting documentation.

Additional Information for Implant Revenue Codes 0274-0276 and 0278

Inpatient/Outpatient Hospital Claim/ Billed charges for Revenue Code 0274 Pros/Ortho devices, Revenue Code 0275 Pacemaker, Revenue Code 0276 Intraocular Lens, and Revenue Code 0278 Other Implants

- If separately reimbursable, billed charges for revenue codes 0274, 0275, 0276, and 0278 may require a vendor's invoice to support supplies used that correspond to the services rendered unless otherwise agreed upon.
- These units must be clearly indicated on the vendor invoices submitted with the claim. If the units do not match or are not noted, the revenue codes 0274, 0275, 0276, and 0278 will be denied unless otherwise agreed upon.
- If supplies are purchased by the provider in bulk, the units that apply to the claim billed must be noted on the invoice or the revenue codes 0274, 0275, 0276, and 0278 will be denied unless

otherwise agreed upon.

- Revenue code 0278 should not be billed for an item(s) that may be considered as a supply. If billed, these charges may be ineligible for separate reimbursement and should not be billed separately and considered unbundled under the language outlined in this policy.

Additional Resources:

Clinical Payment and Coding Polices

CPCP014 Global Surgical Package

CPCP017 Wasted/Discarded Drugs and Biologicals Policy

CPCP018 Outpatient Facility and Hospital Claims: Revenue Codes Requiring Supporting CPT, HCPCS and/or NDC Codes

CPCP026 Therapeutic, Prophylactic and Diagnostic Injection and Infusion Coding

CPCP035 Unlisted/Not Otherwise Classified (NOC) Coding Policy

CPCP039 Outpatient Facility Service(s) Overlapping During an Inpatient Stay

References:

CMS Provider Reimbursement Manual, Determination of Cost of Services to Beneficiaries, Chapter 22, Section 2202.6

CMS, National Correct Coding Initiative Policy Manual for Medicare Services, Chapter 1, General Correct Coding Policies, Section A

CMS, Medicare Claims Processing Manual (Pub. 100-4), Chapter 12, Physicians/Non-Physician Practitioners

CMS, Local Coverage Determination (LCD). Respiratory Therapy (Respiratory Care). L34430. Coverage Guidance. Accessed 3.15.23. https://www.cms.gov/medicare-coverage-database/view/lcd.aspx?LCDId=34430&DocID=L34430

CMS, National Coverage Determination (NCD). Blood Transfusions. 110.7. Indications and Limitations of Coverage. B. Policy Governing Transfusions. Accessed 6.15.23. https://www.cms.gov/medicare-coverage-database/view/ncd.aspx?ncdid=154

Policy Update History:

Approval Date	Description
03/30/2017	New policy
05/07/2018	Annual Review
06/11/2018	Verbiage updates
11/07/2018	Verbiage updates
04/01/2019	Verbiage updates and Annual Review
05/22/2019	Updated references
09/30/2019	Updated references
12/04/2020	Annual Review, Disclaimer Update, Verbiage Updates
12/16/2021	Annual Review
12/21/2023	Annual Review