

STATE OF VERMONT
AGENCY OF HUMAN SERVICES

OVHA

Office of Vermont Health Access

B U L L E T I N N O.: 07-09 F

FROM: Joshua N. Slen, Director
Office of Vermont Health Access

DATE: 8/22/2007

SUBJECT: Repeal of Inpatient/Outpatient Payment Rate Explanations

CHANGES ADOPTED EFFECTIVE 10/01/07

INSTRUCTIONS

Maintain Manual - See instructions below.
 Proposed Regulation - Retain bulletin and attachments until you receive Manual Maintenance Bulletin: _____
 Information or Instructions - Retain until _____

MANUAL REFERENCE(S):

M500
M510
M520

This bulletin repeals language that explains the payment rates and methodologies for inpatient and outpatient hospital services. The setting of rates is not appropriate in policy and is best left under the purview of internal operations. Per 42 CFR, § 447.201 and § 447.252, payment methodology for inpatient/outpatient services is explained in the State Plan. Billing instructions are to be found in the UB-04 Billing Manual.

Specific Changes

M500, pg.2	Deleted – An explanation of rates is not appropriate in policy, as there is no mandate stemming from federal or state law in regards to specifically defined rates. Payment methodology is explained in the State Plan, and billing instructions are to be found in the UB-04 Billing Manual.
M510	Language is revised to reflect that payment methodology is explained in the State Plan and billing instructions are to be found in the UB-04 Billing Manual.
M520, pg.2	Deleted – An explanation of rates is not appropriate in policy, as there is no mandate stemming from federal or state law in regards to specifically defined rates. Payment methodology is explained in the State Plan, and billing instructions are to be found in the UB-04 Billing Manual.

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Comment Period

A public hearing was held on May 21, 2007 at 3:00 p.m., in the Office of Vermont Health Access (OVHA) Conference Room, 312 Hurricane Lane, Suite 201, Williston, Vermont. No members of the public or relevant organizations attended.

There were no written comments submitted.

Manual Maintenance

Medicaid Rules

<u>Remove</u>		<u>Insert</u>	
M500 P.2	(84-46)	Nothing	
M510	(93-5F)	M510	(07-09)
M520 P.2	(00-31F)	Nothing	

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To get more information about the Administrative Procedures Act and the rules applicable to state rulemaking go to the website of the Office of the Vermont Secretary of State at: <http://vermont-archives.org/aparules/index.htm> or call Louise Corliss at 828-2863.

For information on upcoming hearings before the Legislative Committee on Administrative Rules go to the website of the Vermont Legislature at: <http://www.leg.state.vt.us/schedule/schedule2.cfm> or call 828-5760.

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Vertical lines in the left margin indicate significant changes. Dotted lines at the left indicate changes to clarify, rearrange, correct references, etc., without changing content.

10/01/07

Bulletin No. 07-09

M510

M510 Inpatient Services

For reimbursement purposes, general hospitals will be classified as participating and non-participating. Participating hospitals will include:

- all Vermont hospitals;
- out-of-state hospitals, other than specialty hospitals, representing volumes considered significant by the Medicaid agency.

Payment methodology is explained in the State Plan, and billing instructions are to be found in the UB-04 Billing Manual, previously the UB-92 Billing Manual.

Covered inpatient general hospital services include the following:

1. Medically necessary care in a semi-private (2-4 beds) room;
2. Private room if certified medically necessary by a physician to avoid jeopardizing the health of the patient or to protect the health and safety of other patients. (No payment will be made for any portion of the room charge when the recipient requests and is provided with a private room for his or her personal comfort; i.e., when the private room is not medically necessary;
3. Use of intensive care unit when medically necessary;
4. Nursing and related services (except private duty nurses);
5. Use of hospital facilities, such as operating and recovery room, X-ray, laboratory, etc;
6. Use of supplies, appliances and equipment, such as splints, casts, wheelchairs, crutches, etc.;
7. Blood transfusions;
8. Therapeutic services, such as X-ray or radium treatment; and
9. Drugs furnished by the hospital as part of inpatient care and treatment, including drugs furnished in limited supply to permit or facilitate discharge from a hospital to meet the patient's requirements until a continuing supply can be obtained;
10. Rehabilitation services, such as physical therapy, occupational therapy, and speech therapy services;
11. Diagnostic services, such as blood tests, electrocardiograms, etc., but only when these services are specifically ordered by the patient's physician and they are reasonable and necessary for the diagnosis or treatment of the patient's illness or injury.