



Louisiana Department of Health and Hospitals Health Plan Advisory 15-2 February 1, 2015

Covered and Non-Covered Inpatient Hospital Days

The managed care organizations (MCO) shall require hospitals to bill covered days and their associated ancillary charges. Covered days are days that have been approved through the precertification process.

Health Plans may permit hospitals to bill non-covered days and their associated ancillary charges but these must be billed separately from covered days and their associated ancillary charges. Non-covered days are days that are not certified or approved by the Plan, and the associated ancillary charges are services or charges incurred on these non-covered days. Even though these non-covered days and services will be denied by the Plan, the Plan must submit a denied encounter for these claims if billed by the provider.

When a Plan receives an inpatient claim (electronic or paper) that includes dates of service that exceed approved days, the Plan must deny the entire claim. The Provider must resubmit the inpatient claim for covered days only. For example:

- If a provider obtains approval for a 10-day stay, and submits a claim for 12 days, the claim must be billed for the 10 approved days only.

837I Billing Instructions

- Service Line Items (SV203) – Line Item Charge Amount is the total charge amount for the Service-Line; it includes covered charges and non-covered charges (applicable for covered days only).
- For accommodation service line items, the number of covered accommodation service days value (quantity) shall be sent in SV205 along with SV204 set to “DA” (days).
- If the provider identifies service line items with non-covered charges or line item charges that are denied by the Plan, the non-covered charges must be identified and reported in the SV207 on the encounter.
- The CLM02 (Total Claim Charge Amount) value shall equal the sum of all of the SV203 (Line Item Charge Amount) values. Since the SV203 value includes both covered and non-covered charges, CLM02 also includes both.
- HI*BE:80 – Covered Service Days (value in whole numbers only).