Commercial Reimbursement Policy

Subject: Neonatal
Policy Number: C-15001
Policy Section: Facilities

Last Approval Date: 11/16/18
Effective Date: 11/16/18

Disclaimer
These policies serve as a guide to assist you in accurate claims submissions and to outline the basis for reimbursement if the service is covered by a member’s Empire Blue Cross and Blue Shield (Empire) benefit plan. The determination that a service, procedure, item, etc. is covered under a member’s benefit plan is not a determination that you will be reimbursed. Services must meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis as well as to the member’s state of residence. You must follow proper billing and submission guidelines. You are required to use industry standard, compliant codes on all claim submissions. Services should be billed with Current Procedure Terminology (CPT) codes, Healthcare Common Procedure Coding System (HCPCS) codes and/or Revenue codes. The codes denote the services and/or procedures performed. The billed code(s) are required to be fully supported in the medical record and/or office notes. Unless otherwise noted within the policy, our policies apply to both participating and non-participating providers and facilities. This reimbursement policy also applies to Employer Group Retiree Medicare Advantage programs.

If appropriate coding/billing guidelines or current reimbursement policies are not followed, Empire may:

- Reject or deny the claim
- Recover and/or recoup claim payment

These policies may be superseded by provider or State contract language, or State, Federal requirements or mandates. We strive to minimize delays in policy implementation. If there is a delay, we reserve the right to recoup and/or recover claims payment to the effective date, in accordance with the policy. Empire reserves the right to review and revise its policies periodically when necessary. When there is an update we will publish the most current policy to the website.

Policy

The payment for Neonatal Care is specified in the Plan Compensation Schedule or Contract.

Empire outlines the complexity level of services for neonatal care below. Reimbursement based on neonatal levels of care shall be based on the following guidelines:

**General Nursery or Well-Baby Nursery (Revenue Code 170):**

This level of care is for healthy neonates who are physiologically stable and under routine evaluation and observation in the immediate post-partum period. Infants weighing 2000 grams or more at birth and clinically stable infants at 35 weeks gestational age or greater may be cared for in a well-baby nursery. This is not a neonatal intensive care level. Phototherapy, intravenous (IV) fluids and antibiotic therapy are not appropriate for this level of care.

**Level I Surveillance Special Care Nursery (Revenue Code 171):**

This level of care covers neonates who are medically stable but require surveillance/care at a higher level than provided in the general nursery.

**Level II Neonatal Intensive Care (Revenue Code 172):**

Newborns admitted or treated at this level are those with physiological immaturity combined with medical instabilities.

**Level III Neonatal Intensive Care (Revenue Code 173):**

This level of care is directed at those neonates that require invasive therapies and/or are critically ill with respiratory, circulatory, metabolic or hematologic instabilities and/or require surgical intervention with general anesthesia.

**Level IV Neonatal Intensive Care (Revenue Code 174):**
This level of care covers critically ill neonates with respiratory, circulatory, metabolic or hemolytic instabilities as well as conditions that require surgical intervention.

### Related Coding

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<th>Description</th>
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### Policy History

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<th>Description</th>
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<tr>
<td>06/01/19</td>
<td>Policy template updated; description section removed</td>
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<tr>
<td>11/16/18</td>
<td>Biennial Review approved. Administrative updates made to policy body. Exhibit A indicating service and/or clinical examples was removed. References to medical necessity was removed</td>
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<tr>
<td>05/12/15</td>
<td>Initial approval and effective date</td>
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### References and Research Materials

This policy has been developed through consideration of the following:

- American Academy of Pediatrics (AAP)

### Definitions

General Reimbursement Policy Definitions

### Related Policies and Materials

DRG Newborn Inpatient Stays

### Use of Reimbursement Policy:

State and federal law, as well as contract language, including definitions and specific inclusions/exclusions, take precedence over Reimbursement Policy and must be considered first in determining eligibility for coverage. The member’s contract benefits in effect on the date that services are rendered must be used. Reimbursement Policy is constantly evolving and we reserve the right to review and update these policies periodically.

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