

## POLICY AND PROCEDURE

<b>POLICY NAME:</b> Unbundling Adjustments on Clean Claim Reviews	<b>POLICY ID:</b> CC.PI.10
<b>BUSINESS UNIT:</b> Corporate	<b>FUNCTIONAL AREA:</b> Payment Integrity
<b>EFFECTIVE DATE:</b> 9/1/22	<b>PRODUCT(S):</b> All
<b>REVIEWED/REVISED DATE:</b> 7/24	
<b>REGULATOR MOST RECENT APPROVAL DATE(S):</b>	

### POLICY STATEMENT:

This policy provides clarification on the facility billed charges that will be evaluated for unbundling as a part of the clean claim review process.

### PURPOSE:

The purpose of this policy is to define the requirements for the proper application of the unbundling adjustments identified by clean claim reviews.

### SCOPE:

This policy applies to all directors, officers, and employees of Centene Corporation, its affiliates, health plans, and subsidiary companies (collectively, the "Company").

### POLICY:

It is the policy of the Company to comply with provisions set forth in federal guidelines and the contract with the state in which they operate and meets or exceeds all requirements and timeframes outlined in the contract. To comply with these provisions, the Company has the fiduciary obligation to review facility charges prior to payment to help assure that such charges are free of potential defects or improprieties. The Company is also obligated to ensure compliance with applicable billing standards.

One element of the clean claim reviews is determining if a supply item should be considered routine (not separately payable) or non-routine (separately payable). This "Unbundling" evaluation calls attention to line items that appear to have been billed in error.

"Implant" is defined as an object, device or material that is inserted surgically, or embedded via surgical or nonsurgical means, or grafted into the body and remains in the body either indefinitely for prosthetic and/or therapeutic purposes or remains in the body for a temporary or provisional period of time for diagnostic and/or therapeutic purposes.

Section 2202.6 of the CMS Provider Reimbursement Manual specifically states "Routine Services – Inpatient routine services in a hospital or skilled nursing facility are those services included by the provider in a daily service charges—sometimes referred to as the 'room and board' charges...Included in routine services are the regular room, dietary and 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 customarily made."

To ensure the Company only pays for those supply and service charges that are considered "non-routine," and not an integral component of underlying room and/or procedure charges, the Company has put into effect the following procedure:

### PROCEDURE:

1. The supply or service must be medically necessary, reasonable for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member.
2. The supply or service must be furnished at the direction of a physician (by distinct physician order).
3. Supplies that are generally available to all patients billed at the same underlying room and board acuity level and/or ordinarily furnished to patients during the course of a procedure, even though the equipment is rented by the hospital are not separately payable. The cost of these supply items is already included in the underlying charge for the room or procedure in which the services are delivered.

4. Supplies, items, pharmaceuticals, and services that are necessary or otherwise integral to the provision of a specific underlying service and/or the delivery of such underlying service(s) are not separately payable.
5. Items and supplies that may be purchased over the counter are not separately payable.
6. Supply fees billed daily or one time, which are unidentified and unsupported by medical records or documentation are not reimbursable.
7. Blood and blood product administration services are not separately reimbursable on inpatient Claims. Thawing/Pooling fees are not separately reimbursable.
8. Pharmacy charges will include the cost of the drugs prescribed by the physician. Medications furnished to patients shall not include an additional separate charge for administration of drugs, the cost of materials necessary for the preparation and administration of drugs, and the services rendered by registered pharmacists and other pharmacy personnel.
9. Advancements in laboratory testing technology allow a facility to obtain a wide variety of values/results from a single underlying blood sample and analysis. The costs incurred to analyze and obtain results from a blood sample will be reimbursed for each blood sample analysis performed. Multiple charges for results obtained from the same underlying blood sample analysis are not separately reimbursed.
10. Charges for the operating room includes the use of the operating room, the services of qualified professional and technical personnel, linen packs, basic instrument packs, basic packs, dressings, equipment, routine supplies such as sutures, gloves, dressings, sponges, prep kits, drapes, and surgical attire. Charges for instrument trays for any procedure are included in the cost of the procedure and are not separately reimbursable. The operating room charge shall include the cost of robotic technology and is not eligible for separate reimbursement.
11. Charges for reusable items, supplies and equipment are not separately payable, as the use of such reusable items, supplies and equipment does not result in an incremental cost
12. All charges are otherwise subject to review for confirmation that the amount billed for such supplies and services both reasonably and consistently relates back to its underlying (direct and indirect) costs.

Examples of supplies and equipment that are not separately reimbursable include, but are not limited to:

- Admission kits
- Anesthesia supplies, including pharmaceuticals/gases when billed with anesthesia time charges
- Any Linen
- Bedpans/Urinals
- Beds/Mattresses
- Bili light
- Bladder scans
- Blood pressure cuffs and monitors
- Breast milk/storage
- Capital equipment
- Cardiac monitors
- Catheters (routine)
- Cotton balls
- CPR
- CRRT
- Dialysis supplies
- Diapers
- Disposable blood pressure cuffs
- Disposable towels
- Drapes
- Dressing change trays/packs/kits
- Dressings/Gauze/Sponges
- Education/training
- Enteral/Parenteral feeding supplies (tubing, bags, sets, etc.)

- Experimental services
- Facility personnel charges (lactation consultants, dietary consultants, transport fees, professional therapy functions (physical, occupational, and speech), etc.)
- Foley/Straight catheters
- Garter Belts
- Gloves/Gowns/Drapes/Covers/Blankets
- Handling fees
- Heat light/Heating pad
- Ice packs/Water bottles
- Injections (vaccine administration)
- Internal transports
- Intubation/extubation
- Investigational items
- Irrigation solutions
- Isolation supplies
- Isolettes
- IV infusions/IV push
- IV line flushes and solutions
- IV or PICC line insertions
- IV supplies (administration kits, arm boards, bottles, bags, catheters, pumps, tubing, extensions, angiocaths, sheaths, stat-locks, blood tubing, start kits, pressure bags, adapters, caps, plugs, fluid warmers, sets, transducers, etc.)
- IV solutions used to dilute medications
- Kerlix/Tegaderm/OpSite/Telfa
- Kits/Packs
- Lotion
- Masks (including oxygen, CPAP, nasal cannulas/prongs, etc.)
- Meal trays
- Medication preparation
- Monitoring (cardiac output, central venous pressure (CVP) lines, pulse oximetry, TCM, blood pressure monitoring, capnography, end tidal CO<sub>2</sub>, neurological status checks, pulmonary arterial pressure, Swanz-ganz lines/pressure readings, routine telemetry
- Monitoring supplies (electrodes, cables, wires, etc.)
- Nutritional supplements/additives
- Odor eliminator/Room deodorizer
- Operating room equipment (saws, skin staplers, staples & staple removers, sutures, scalpels, blades etc.)
- Operating Room Supplies (gowns, instrument trays, surgical packs, etc.)
- Oral care kits and/or swabs (lemon glycerine swabs, flavored swabs, mouth care kits, toothettes, toothbrush, etc.)
- Oximeter sensors/probes/covers
- Oxygen unless utilized as an exclusive form of respiratory therapy
- Oxygen sensors
- Pacing cables/wires/probes
- Patient transport
- Perfusion supplies when billed with perfusionist time charges
- Personal convenience items
- Point of Care monitoring and testing (bedside glucose, oximetry, fecal occult blood, etc.)
- Portable charges
- Preparation kits
- Preparation or Set-up Charges
- Pressure/Pump transducers
- Razors
- Rental Fees
- Replacement batteries
- Restraints
- Resuscitation
- Reusable items
- Routine nursing services

- RT assessment
- Saline Solutions
- SCD Sleeves/Compression sleeves/Ted hose
- Separate nursing charges
- Sharps containers
- Shaving cream
- Skin cleansers/preps
- Skin temperature probes
- Slippers
- Soap
- Socks
- Specialty beds
- Specimen collection devices, containers, and fees (venipuncture, phlebotomy, heel stick, etc.)
- Sputum induction/Sputum trap
- Stat charges
- Stockings
- Suction supplies (canisters, tubing, tips, catheters, liners, etc.)
- Syringes/Needles/Lancets/Butterflies
- Tape
- Televisions
- Thermometers/Temperature probes
- Toilet tissue
- Tongue depressors
- Traction equipment
- Transducer kits/packs
- Tracheostomy care/Changing of cannulas
- Underpads
- Urometers/Leg Bags/Tubing
- Video Systems
- Wall suction
- Wipes (baby, cleansing, etc.)

**REFERENCES:** CC.PI.04: Clean Claim Reviews  
CC.PI.06: Cost to Charge Adjustments on Clean Claim Reviews

**ATTACHMENTS:**

**ROLES & RESPONSIBILITIES:** Payment Integrity manages the vendor(s) who conduct the clean claim reviews. Claims Operations processes payment of the member claim based on the findings identified in the clean claim reviews.

**REGULATORY REPORTING REQUIREMENTS:**

#### REVISION LOG

REVISION TYPE	REVISION SUMMARY	DATE APPROVED & PUBLISHED
New Policy Document		September 2022
Annual Review	Removed internal team PIRU from Roles & Responsibilities.	July 2023
Annual Review	Renew	July 2024

#### POLICY AND PROCEDURE APPROVAL

The electronic approval retained in RSA Archer, the Company's P&P management software, is considered equivalent to a signature.