



**Louisiana Department of Health
Informational Bulletin 15-3
February 12, 2015**

Covered and Non-Covered Inpatient Hospital Days

Effective March 1, 2015, hospitals must bill the Managed Care Organizations (MCO) for covered days and their associated ancillary charges. Covered days are days that have been approved through the precertification process.

Hospitals may bill MCOs for 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 MCO, 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 MCO, the MCO must submit a denied encounter for these claims if billed by the hospital.

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

- If a hospital 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 hospital identifies service line items with non-covered charges or line item charges that are denied by the MCO, 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).
- HI*BE:81 – Non-Covered Service Days (value in whole numbers only).