

## Services Incidental to Admission

### Policy<sup>1</sup>

Services rendered prior to a related inpatient admission are considered incidental to admission and are included in the inpatient reimbursement rate.

Services that are incidental to an admission include:

- Surgical day care
- Observation stay
- Emergency room care
- Diagnostic and/or testing services

Pre-admission services may be subject to post-payment audits and retractions.

### Per Diem

Incidental services that are provided within one day of a related inpatient admission are included in the inpatient per diem reimbursement.

An observation stay that converts to an inpatient admission before midnight of the same day is included in the inpatient per diem rate and is not separately reimbursed.

An observation stay that converts to an inpatient admission after midnight of the observation day is not included in the per diem rate and is separately reimbursed.

### Case Rate and Diagnosis-Related Groups (DRG)

- Diagnostic services that are provided within three days of an inpatient admission are included in the inpatient Case rate or DRG reimbursement.
- Non-diagnostic services related to the principal diagnosis that are provided within three days of an inpatient admissions are included in the inpatient case rate or DRG reimbursement.
- Any ambulatory day care, radiology or laboratory procedures that result in an inpatient admission are included in the inpatient case rate or DRG reimbursement.

### Related Policies

#### Payment Policies

- Emergency Care
- Inpatient Acute Medical Admissions
- Observation Stay

#### Billing & Reimbursement

- Audit Policy

#### PUBLICATION HISTORY

04/01/02	original documentation
10/01/03	annual review; clarified incidental time periods
12/15/11	annual review; removed 50/50 DRG/per from one-day-rule
01/01/12	removed First Seniority Freedom information from header
12/15/13	annual review; edits for clarification
12/15/14	annual review; no changes
12/15/15	annual review; no changes
12/15/16	annual review; no changes
12/15/17	annual review; no changes
12/03/18	annual review; no changes
01/02/20	annual review; no changes

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PAYMENT POLICIES

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01/04/21	annual review; added Emergency Care Payment Policy to the Related Policies section
12/01/21	annual review; no changes

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<sup>1</sup>This policy applies to the products of Harvard Pilgrim Health Care and its affiliates—Harvard Pilgrim Health Care of Connecticut, Harvard Pilgrim Health Care of New England, and HPHC Insurance Company—for services performed by contracted providers. Payment is based on member benefits and eligibility, medical necessity review, where applicable, and provider contractual agreement. Payment for covered services rendered by contracted providers will be reimbursed at the lesser of charges or the contracted rate. (Does not apply to inpatient per diem, DRG, or case rates.) HPHC reserves the right to amend a payment policy at its discretion. CPT and HCPCS codes are updated annually. Always use the most recent CPT and HCPCS coding guidelines.