Newborn Inpatient Level of Care Billing Guidelines

Overview

This policy outlines the level of care for newborns and crosswalks them to appropriate Revenue Codes for billing purposes. In order to facilitate the payment of claims, the level of care assigned should be the least intensive that is appropriate for the delivery of services consistent with the actual intensity of services and clinical care provided to that neonate.

This policy applies to claims submitted on a UB-04 and all electronic equivalents.

Reimbursement Policy

The intensity of neonatal level of care (LOC) is based upon the patient's condition. Several levels of care may be provided in the same nursery units in different areas of the same hospital. It is important to distinguish between specific units and levels of care provided in each unit.

Cigna reimburses newborn services and neonatal intensive care unit (NICU) services based on the provider's contract and the level of care billing guidelines outlined within this policy.

General Background

The Uniform Billing Editor (UB-04) is a uniform institutional provider bill suitable for use in billing multiple third party payers. The National Uniform Billing Committee (NUBC) maintains lists of approved coding for the form.

Hospitals are expected to bill for newborn care, whether in the regular newborn nursery or in the neonatal intensive care nursery, using industry standard hospital revenue codes. There are a total of six possible hospital revenue codes noted in the Uniform Billing Editor (UB-04), which can be used to submit claims for inpatient
services to neonates, both normal full term infants, and sick/premature neonates in the NICU. The Uniform Billing Dataset was developed and approved for general hospital use by the National Uniform Billing Committee (NUBC). The National Uniform Billing Committee (NUBC) was brought together by the American Hospital Association (AHA) in 1975 and it includes the participation of all the major national provider and payer organizations. The NUBC was formed to develop a single billing form and standard dataset that could be used nationwide by institutional providers and payers for handling health care claims. Hospitals, skilled nursing facilities and other providers utilize the UB-04 Editor as an industry standard to bill Medicare, Medicaid and most commercial carriers. The UB-04 designations are used exclusively for billing facility services and are not used for billing professional services. The neonatal levels of care defined in the UB-04 Editor were adapted from the second edition of the Guidelines for Perinatal Care (published by the American Academy of Pediatrics and the American College of Obstetricians and Gynecologists, 2012).

**Normal Newborn Nursery:**

Any of the following Revenue Codes may be used interchangeably to bill for services for healthy normal newborns, generally at or near full term (37 weeks or greater). The place of service is typically a normal newborn nursery. Normal newborn designation is applicable to any of the following hospital UB-04 revenue codes:

0170 General Nursery
This level may be used by a hospital which provides only one level of care – for healthy full-term neonates.

0171 Newborn Nursery
This level reflects routine care of apparently normal full-term or pre-term neonates (considered to be newborn nursery care)

0179 Other Nursery – also used by some hospitals for routine newborn or boarder babies.

**Neonatal Intensive Care Unit:**

Services for neonates in the special care/stepdown unit should be billed with Rev Codes 0172 or 0173 and services for neonates in the NICU should be billed with revenue code 0174. The following levels of care definitions and related UB hospital revenue codes are applicable to those neonates who are located in the NICU.

0172 NICU Continuing Care
This level of care reflects the intensity of services for those neonates that are housed in the special care/stepdown unit or NICU, and includes low birth-weight neonates who are not sick, but whose weight is not sufficient to allow for a discharge home and who require more frequent feeding than a neonate in a regular nursery. These neonates require more hours of nursing than do normal newborns and are considered to be receiving continuing care. This level of care includes neonates that are being either gavage or nipple fed, while gaining adequate weight for a transition to home. These neonates are sometimes referred to as “feeders and growers”.

0173 NICU Intermediate Care
This level of care reflects the intensity of services in a special care/stepdown unit or NICU for sick neonates who do not require intensive care and are considered to be receiving intermediate care.

0174 NICU Intensive Care
This level of care reflects the highest intensity of service for those neonates in a NICU who need constant nursing and continuous cardiopulmonary and other support for severely ill infants, are considered to be receiving intensive care.

<table>
<thead>
<tr>
<th>NICU Level of Care</th>
<th>Revenue Code</th>
<th>Billing Guideline</th>
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<tbody>
<tr>
<td>General Nursery/Low 1</td>
<td>0170, 0171, 0179</td>
<td>Used for routine newborn care of apparently normal, full term or preterm neonates</td>
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<tr>
<td>Level</td>
<td>Code</td>
<td>Description</td>
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<tr>
<td>Level 2</td>
<td>0172</td>
<td>Used for low birth-weight neonates who are not sick, but require frequent feeding, and neonates who require more hours of nursing than do normal neonates/continuing care.</td>
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<tr>
<td>Level 3</td>
<td>0173</td>
<td>Used for sick neonates who do not require intensive care, but are considered to be receiving intermediate care</td>
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<tr>
<td>Level 4</td>
<td>0174</td>
<td>Used for constant nursing and continuous cardiopulmonary and other support for severely ill infants/ intensive care. These neonates may include those cases designated as Surgical NICU cases.</td>
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**References**

1. Optum 360° LLC. Uniform Billing Editor, © 2018 Salt Lake City, UT

**Policy History/Update**

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