Rehabilitation Facilities/ Long-Term Acute Care Hospitals

Policy

Harvard Pilgrim reimburses, within applicable benefit limits, services provided by contracted, licensed inpatient rehabilitation facilities (IRFs) and long-term acute care facilities (LTACs) when those services are reasonable and medically necessary for members with complex nursing, medical management and/or rehabilitation needs.

Policy Definition

The IRF and LTAC facilities are licensed by the state and provide inpatient acute rehabilitation, traumatic brain injury, spinal cord injury, and/or ventilator services.

Prerequisite(s)

Applicable Harvard Pilgrim referral, notification and authorization policies and procedures apply. Refer to *Referral, Notification and Authorization* for more information.

HMO/POS/PPO

Prior authorization is required for inpatient admissions to IRFs or LTACs extended length of stay and change in level of care. (Refer to *Skilled Nursing Facilities and Rehabilitation Facility Authorization* for specific requirements.)

Open Access HMO and POS

For *Open Access HMO and Open Access POS* products, no referral is required to see a contracted specialist.

Harvard Pilgrim Reimburses[1]

Level of Care Descriptions and Criteria for Admission

Harvard Pilgrim's utilization management or care management clinician uses InterQual® Criteria to determine the appropriate levels of care for IRF or LTAC hospital services. The level of care is included in the authorization issued by the Harvard Pilgrim clinician and that authorization is used to process the facility claim.

HMO/POS/PPO

Inpatient rehabilitation hospitals are reimbursed at a single all-inclusive (per diem) rate as determined by the contracted rate and when notified and authorized within appropriate time frames.

- The per diem rate is generally considered payment in full for all services provided to the member
- Refer to "Services Not Included in the Per Diem Rate" for a list of services reimbursed separately from the per diem rate.

Information Related to Durable Medical Equipment (DME)

- Non-disposable single patient use DME provided as part of an individual member's inpatient rehabilitation care and included in the per diem rate, should be sent home with the member upon discharge from the inpatient rehabilitation hospital. This includes, but is not limited to, bed pans, emesis basins, splints, and tens.
- Non-disposable/multi-patient use DME provided as part of the individual member's inpatient rehabilitation care that are owned or rented by the rehabilitation hospital should not be sent home with the member upon discharge from the rehabilitation facility. These items are included in the per diem rate, and include but are not limited to; walkers, canes, and wheelchairs.
- If DME is purchased from a contracted DME provider, on behalf of an individual member receiving care within the rehabilitation hospital, those items must be sent home with the patient upon discharge from the

rehabilitation hospital. These items include but are not limited to: customized orthotics, prosthetics and adaptive devices.
- Rehabilitation hospital agrees to not delay obtaining authorization and ordering any custom-type device that is medically necessary to promote discharge and rehabilitation of the member. This type of DME must be authorized by a Harvard Pilgrim clinician and ordered through a Harvard Pilgrim–contracted DME provider.
- For questions about DME benefit eligibility, authorizations, contracted DME providers, or DME ordering, call Harvard Pilgrim's Provider Service Center at 1-800-708-4414.

Services Not Included in the Per Diem Rate - Prescription Pharmaceuticals

Select prescription pharmaceuticals may be reimbursed in addition to the per diem in accordance with the terms outlined in the acute rehabilitation hospital agreement. The pharmaceuticals must be provided to members during an authorized inpatient rehabilitation admission and must be itemized on the UB04 claim with the pharmacy invoice attached.

Refer to the excluded pharmaceuticals list in the Plan Provider Manual.

- Aldesleukin
- Alpha 1 Proteinase Inhibitor
- Ambisome
- Amphotercin B Liposome
- Aranesp
- Avibactam
- Avonex
- Avycaz
- Ceftazidime
- Cidofovir injection
- Darbepoetin Alfa
- Dificid
- Enbrel
- Enfuvirtide
- Etanercept
- Fidaxomicin
- Filgrastim
- Fulphila
- Fuzeon
- Gamastan
- Gammagard
- Gammaked
- Gamunex-C
- Goserelin Acetate
- Hyper Hep B
- Ibrutinib
- Imbruvica
- Immune globulin
- Ingrezza
- Interferon Beta 1A
- IVIG
- Leukine
- Mekinist
- Nabi-HB
- Neulasta
- Neupogen injection
- Nyvepria
- Ozempic
- Pegfilgrastim
- Prolastin C
- Proleukin
- Remdesivir
- Ribavirin
- Sargramostim
- SCIG
- Synercid
- Temodar IV Temozolomide IV
- Udenyca
- Valbenazine
- Veklury
- Vfend oral
- Virazole
- Vistide
- Voriconazole IV oral
- Ziextenzo
- Zoladex

Services Not Included in the Per Diem Rate

The following services will be reimbursed to the rehabilitation hospital separately from the per diem rate:

Outpatient therapy treatment:
- The rehabilitation hospital will be reimbursed the lower of the rehabilitation hospital's charge or the standard Harvard Pilgrim outpatient fee schedule
- Reimbursement for appropriately notified or authorized outpatient therapy treatment, as applicable per visit and is not dependent on length of time of the visit
- Only one visit per type of authorized therapy treatment is reimbursed per day
- All other services will be denied.

The following services are excluded from the rehabilitation hospital per diem rate and may be billed by, and reimbursed separately to, a Harvard Pilgrim–contracted provider. (Harvard Pilgrim reimburses the provider.)

- Emergent Ambulance Services
- Non-Emergent Ambulance services (when prior authorized) *
- Attending physician services
- Bone growth stimulators
- Consulting physician services
- Diagnostic testing not performed on-site (such as CAT scan, MRI, radiation therapy)
- Dialysis (hemodialysis or peritoneal dialysis)
- Inexsufflator
- Prosthetic devices

- Custom compression stockings
- Customized motorized wheelchairs
- Customized orthotic devices or braces
- Specialty beds, mattresses and surfaces (such as air-fluidized mattress)
- Ultraviolet lights
- Wheelchair car services

*The rehabilitation hospital will be financially responsible for any excluded non-emergent transportation service that does not have prior authorization.

Applying the Contracted Rate

The admission date determines all acute rehabilitation hospital reimbursement terms. When an admission bridges contracted effective dates, the contracted rate on the date of admission applies to the entire acute rehabilitation hospital stay. This applies to all negotiated rates.

Membership Dates

When a rehabilitation hospital admission occurs prior to a member's effective date, Harvard Pilgrim begins reimbursement from the time membership is effective, the member's PCP or designee begins to direct the member's care and the acute rehabilitation hospital notifies Harvard Pilgrim of the admission.

Harvard Pilgrim Does *Not* Reimburse

HMO/POS/PPO

- Admission to or on-going care in IRF or LTAC that was not authorized by Harvard Pilgrim
- Personal services (e.g., telephones, television, guest trays, etc.)
- Custodial care (see below for denial documentation)
- Blood and blood products
- Private duty nursing care unless medically necessary and recommended by the PCP, authorized by Harvard Pilgrim, and is a covered benefit under the member's policy
- After Harvard Pilgrim membership terminates, even if the member is an inpatient in the rehabilitation hospital on the date of membership termination
- Exclusions to this reimbursement policy may be covered under another reimbursement policy (e.g., DME)

Member Cost-Sharing

Services are subject to member out-of-pocket cost (e.g., copayment, coinsurance, deductible), as applicable.

Provider Billing Guidelines and Documentation

Coding[2]

Code	Description	Comments
0250	Pharmacy	Itemize pharmaceuticals that are excluded from the contracted rate; attach the associated pharmacy invoice to the claim.

Other Information

- Bill inpatient acute rehabilitation hospital services as contractually defined
  - Enter the number of days in the Form Locator 46 of the paper UB-04 or segment SV2, data element SV205 with UN qualifier in SV204 of loop 2400 of the electronic 837I
- Bill all outpatient services with the appropriate revenue codes and HCPCS or CPT codes
- Pharmaceuticals not included in per diem that are provided to a member during an authorized inpatient skilled admission must be itemized on the UB-04 claim with the pharmacy invoice attached.

Interim Billing

- Include only charges that have not been previously billed
- Bill using the "from date" to the "through date"
- Bill subsequent interim bills from the date after the "through date" on the previous bill

Custodial Care Denial Documentation Process

- Claims for custodial care services will be denied as non-covered services, member liable.
- Alternate payer letters can be provided. Facility must contact designated Harvard Pilgrim nurse case manager in advance for review of services.
- Retrospective reviews cannot be done.

Related Policies

Payment Policies

- Ambulance Transport
- Dialysis
- Durable Medical Equipment (DME)
- Interim Billing
- Laboratory & Pathology
- Physical, Occupational, & Speech Therapy
- Unlisted and Unspecified Procedure Codes
- General Coding and Claims Editing

Clinical/Authorization Policies

- Durable Medical Equipment (DME) Authorization
- Inpatient Rehabilitation/Long Term Acute Care
- Medical Review Criteria Immune Globulin
- Outpatient Advanced Imaging Authorization
- Skilled Nursing Facilities and Rehabilitation Facility Authorization

Referral, Notification & Authorization

- Authorization Policy

Billing & Reimbursement

- Claims Submission Guidelines

PUBLICATION HISTORY

10/31/07	original documentation
01/31/08	annual review; replaced pharm reimbursed list
10/31/08	annual review; added Dalteparin Soduim to pharmacy exclusion list
10/15/09	annual review; minor edits for clarity
06/15/10	annual review; revised prescription pharmaceutical list
06/15/11	annual review; revised prescription pharmaceutical list; replaced InterQual® criteria with Harvard Pilgrim criteria
11/15/11	removed “if provided by physician on staff” from services excluded in the rehabilitation hospital per diem rate
01/01/12	removed First Seniority Freedom information from header
06/15/12	annual review; revised prescription pharmaceutical list
06/15/13	annual review; revised prescription pharmaceutical list
06/15/14	annual review; added dialysis as a related policy; added *Connecticut Open Access HMO* referral information to Prerequisites
06/15/15	annual review; revised prescription pharmaceutical list, administrative edits, added Medical Review Criteria IVIG as related policy
06/15/16	annual review; revised prescription pharmaceutical list; removed scooters
06/15/17	annual review; updated prescription pharmaceutical list; updated EDI information; added PT, OT, ST to related policies section; administrative edits
01/01/18	updated Open Access Product referral information under Prerequisites
07/02/18	annual review; revised prescription pharmaceutical list; additional notation for Ambulance Services; added Inpatient Rehabilitation/Long Term Acute Care Medical Policy to Related Policies; removed reference to KCL wound vacuum
07/01/19	annual review; updated prescription pharmaceutical list; removed bullet regarding billing of custodial care that have not received an administrative denial
07/01/20	annual review; no changes

07/01/21	annual review; administrative edits; updated prescription pharmaceutical list
07/01/22	annual review; annual review; clarified level of care criteria for admission; specified per diem rate and prescription pharmaceuticals not included in the per diem rate; updated custodial care denial documentation process; added Unlisted and Unspecified Procedure Codes to the Related Policies section; administrative edits
09/29/23	annual review; updated Services Not Included in the Per Diem Rate – Prescription Pharmaceuticals
07/01/24	annual review; updated Related Policies; administrative edit
07/01/25	annual review; updated Services Not Included in the Per Diem Rate — Prescription Pharmaceuticals; administrative edit

[1]This policy applies to the products of Harvard Pilgrim Health Care and its affiliates—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.

[2]The table may not include all provider claim codes related to rehabilitation hospitals.