



## PROVIDER ALERT

### ADMINISTRATIVE DAY RATE BILLING PROCEDURE

SEPTEMBER 26, 2014

Below you will find the billing procedure for billing of Administrative Days. Please note some of these fields, especially Field (FL) 47. All other applicable UB billing rules apply.

**FL 42      Revenue Codes**

Use revenue code 0169. This revenue code is specific to administrative days.

NOTE: Ancillary revenue codes/services cannot be billed during an administrative day period.

**FL 46      Units of Service**

**Required-** Enter the number of approved administrative days on the line adjacent to revenue code 0169.

**FL 47      Total Charges**

It is very important that the following instructions for determining the amount to be billed be followed exactly.

- A. In order to be paid correctly, acute hospitals without a licensed skilled nursing facility unit must divide the “projected average Medicaid nursing home payment rate” (Administrative Day Rate) by your rate of reimbursement.



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### Example 1

Maryland general acute hospitals and Psychiatric IMD Facilities are paid 94% of total charges. Divide the appropriate Administrative Day Rate by 94%. Multiply that result times the number of administrative days to yield the amount to be billed in Item 47. Currently both Maryland general acute hospitals and Psychiatric IMD Facility's are paid 94% of billed charges.

### Example 2

DC general acute hospitals and some other out-of-state general acute hospitals are paid a percentage of total charges. If their percentage reimbursement rate is 80% the facility would divide the appropriate Administrative Day Rate by 80%. Multiply that result times the number of administrative days to yield the amount to be billed in item 47.

### Example 3

Hospitals paid on a per diem basis will bill the Program the appropriate Administrative Day Rate times the number of administrative days since their rate of reimbursement is actually 100% of the administrative day charges. This pertains to some out-of-state general acute hospitals and out-of-state special rehabilitation hospitals. Psychiatric hospitals should use the appropriate average residential treatment center rate (Administrative Day Rate for Special-Psychiatric Hospitals).