



State of New Jersey
Department of Human Services
Division of Medical Assistance & Health Services

NEWSLETTER

Volume 7 No. 45

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- TO:** Physicians and
Hospitals - Chief Executive Officer,
(HMOs for Informational Purposes Only)
- SUBJECT:** Reimbursement for physicians services provided in
neonatal intensive care units (NICUs)
- EFFECTIVE:** For dates of service on or after August 1, 1997
- PURPOSE:** To announce changes in the reimbursement methodology
and the implementation of Neonatal Intensive Care proce-
dure codes (HCPCS) for use by neonatologists providing care in hospital neonatal
intensive care units (NICUs).
- BACKGROUND:** Currently, the New Jersey Medicaid program reimburses
physicians providing services in hospital neonatal intensive
care units on a fee-for-service basis through the use of Critical Care, Prolonged
Attendance, or Initial/Subsequent Hospital Care procedure codes, as appropriate. The
specific procedure codes (HCPCS) rendered outside of the critical care and prolonged
attendance time-frames are also used and eligible for separate reimbursement.
- ACTION:** Effective for services provided on or after August 1, 1997,
Medicaid shall reimburse for the physician care of a neonate
or infant in a hospital neonatal intensive care unit (NICU) according to the methodology
described in the 1997 edition of the Physicians' Current Procedural Terminology CPT
'97). This reimbursement methodology recognizes three procedure codes (HCPCS)
applicable to neonatal intensive care: the Initial Neonatal Intensive Care procedure
code (for the day of admission); and two levels of Subsequent Neonatal Intensive Care
procedure codes (HCPCS) differentiated on the basis of the patient's condition as
stable or unstable.

The procedure codes (HCPCS) represent all-inclusive physician care and may be billed
only once per day, per patient. The billing policy also applies to the services provided
by a covering physician as described in N.J.A.C. 10:54-1.5(b.)

The procedure codes (HCPCS) for Subsequent Hospital Care (99231-99233) should be
used for services provided once the neonate or infant is **no longer considered
critically ill.**

INSTRUCTIONS FOR BILLING:

The procedure codes (HCPCS) which are to be used by physicians when billing for neonatal intensive care services and the corresponding Maximum Allowable Fees are listed below.

HCPCS	DESCRIPTION	MAXIMUM FEE ALLOWANCE		
		S	\$	NS
99295	Initial Neonatal Intensive Care, per day, for the evaluation and management of a critically ill neonate or infant.	\$296.00		NA
99296	Subsequent Neonatal Intensive Care, per day, for the evaluation and management of a critically ill and unstable neonate or infant.	\$135.00		NA
99297	Subsequent Neonatal Intensive Care, per day, for the evaluation and management of a critically ill, though stable neonate or infant.	\$68.00		NA

For questions or inquiries regarding this Newsletter, please contact Danuta Buzdygan, M.D., Chief Pediatric Consultant, at (609) 588-2718.

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