



State of California—Health and Human Services Agency
Department of Health Care Services



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GOVERNOR

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Supercedes
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Index: Authorizations

TO: ALL COUNTY CALIFORNIA CHILDREN'S SERVICES (CCS)
PROGRAM ADMINISTRATORS FOR INDEPENDENT COUNTIES,
MEDICAL CONSULTANTS, AND STATE CHILDREN'S MEDICAL
SERVICES BRANCH (CMS) STAFF

SUBJECT: NEONATAL INTENSIVE CARE UNIT (NICU) AUTHORIZATIONS

I. BACKGROUND

This Numbered Letter (N.L.) addresses authorizations for:

- Care in a CCS Approved NICU
- Surgery in a CCS Approved NICU
- Stabilization, Transfer and Transport of an Infant

This letter should be used in conjunction with N.L.:05-0502 concerning NICU medical eligibility.

II. POLICY

The following policy is effective the date of this letter.

A. Care in a CCS Approved NICU

1. An infant with a CCS eligible medical condition (Title 22, California Code of Regulations [CCR], Sections 41515.1-41518.9) shall have the hospital stay authorized if the stay is medically necessary because of the CCS eligible condition (N.L.: 05-0502, Section II.A.1.) and the infant is also residentially and financially eligible for the program.
2. An infant meeting the eligibility criteria identified in N.L.: 05-0502, Section II.A.2.a. or II.A.2.b. shall have the hospital stay authorized if the infant is also residentially and financially eligible for the program.

B. Surgery for a CCS client in a CCS approved NICU

1. CCS shall reimburse all surgical procedures performed on an infant who is receiving care in a CCS approved Regional NICU or in a CCS approved Community NICU that also has approval for neonatal surgery.
 - a. Following surgery, an infant shall not be transferred to a CCS approved NICU that is not CCS approved for surgery for at least six post-operative days. No authorizations shall be issued for the six post-operative days at an NICU not CCS approved for surgery.
 - b. On the seventh post-operative day, the infant may be transferred to a CCS approved NICU that is not CCS approved for surgery if:
 - i. The infant is deemed stable for transfer by the NICU Medical Director, and
 - ii. The treating surgeon concurs with the transfer.

If these two criteria are met, authorizations shall be issued to the CCS approved NICU that is not CCS approved for surgery beginning on the seventh post-operative day, as long as medical eligibility criteria are met (N.L.: 05-0502, Section II.A.2.a. or Section II.A.2.b.).

2. CCS shall only reimburse the low risk surgical procedures such as placement of vascular access lines for infusions and/or monitoring, or superficial biopsies when performed on a stable infant who is receiving care in a CCS approved Community NICU that does not have approval for neonatal surgery.
3. If other surgical procedures are performed in a CCS approved Community NICU that is not approved for neonatal surgery and the infant is not transferred to a facility approved for the care:
 - a. No authorization shall be issued to cover the day of surgery and the six subsequent inpatient days;
 - b. No authorization shall be issued to the surgeon for the surgical procedure or for any other physician care for the entire seven-day period; and
 - c. Authorizations shall resume after the seven-day period if CCS residential and financial eligibility requirements are met and:
 - i. Continued NICU hospitalization is required for a CCS eligible medical condition (N.L.: 05-0502, Section II.A.1.) or

- ii. NICU eligibility criteria are met (N.L.: 05-0502, Section II.A.2.a. or Section II.A.2.b.) and the CCS approved NICU is also approved for the level of care the infant requires.

Note: This policy assumes the infant's survival will not be endangered by the transport for surgery to a hospital that is CCS approved for neonatal surgery and that there is a bed available. If there is evidence of the contrary, the County Medical Consultant after consultation with the Regional Medical Consultant shall determine if the emergency surgery performed at a Community NICU not approved for surgery shall be authorized, as well as the postoperative days.

C. Stabilization, Transfer and Transport of an Infant

1. Authorization (prior to transfer) for the stabilization of an infant delivered in a hospital without a CCS approved NICU
 - a. If a newborn infant is delivered in a hospital without a CCS approved nursery, and requires stabilization prior to transfer to a CCS approved NICU, and meets CCS residential and financial requirements, then an authorization for the care of this infant shall be issued to the hospital of birth and to the physician stabilizing the infant.
 - b. The authorization to the hospital of birth shall not exceed two days unless there are extenuating circumstances (e.g., weather prohibitive of transporting the baby) as determined by the County Medical Consultant after consultation with the Regional Office Medical Consultant on a case-by-case basis.
2. An authorization shall be issued to the CCS approved NICU receiving a transferred infant if:
 - a. The infant meets the eligibility criteria of N.L.: 05-0502, Section II.A.1., or Section II.A.2.a. or Section II.A.2.b.;
 - b. The NICU is CCS approved for the appropriate level of care for the infant;
 - c. CCS residential and financial eligibility requirements are met.
3. An infant receiving positive pressure respiratory support in an Intermediate NICU shall be transferred to a Community or Regional NICU within the first 24 hours of initiating the care unless the County Medical Consultant determines after consultation with the Regional Office Medical Consultant that there are extenuating circumstances that preclude this from happening. (Positive

pressure respiratory support includes mechanical ventilation through an endotracheal or nasotracheal tube, nasal continuous positive airway pressure (CPAP) by mask or prongs, high-flow nasal cannula (greater than one liter flow), or nasal ventilation.)

4. If an infant remains in a CCS approved NICU that is not approved for the level of care provided because there is no NICU bed available at the hospital with the level of care needed, then the case shall be reviewed by the County Medical Consultant and, after consultation with the Regional Office Medical Consultant, a determination made if the stay can be approved at the referring NICU until the needed NICU bed is found, and the infant is transported to the higher level of care.
5. An authorization to cover the actual transport of an infant shall also be issued when one of the following conditions is met:
 - a. The infant who is CCS medically eligible is receiving care in a CCS approved NICU and now requires a higher level of care in an NICU that is CCS approved for this level of care.
 - b. The infant who is CCS medically eligible requires a surgical procedure at a CCS NICU approved for neonatal surgery.
 - c. The infant who is CCS medically eligible can be cared for at another CCS approved NICU providing a lower level of care and which is closer to the home of the infant.
 - d. The infant is receiving care in a nursery that is not CCS approved and is being transferred to a CCS approved NICU.

Note: Other transport scenarios shall be referred for review to the County Medical Consultant and/or the Regional Office Medical Consultant.

III. POLICY IMPLEMENTATION

A. Authorization of Care in a CCS Approved NICU

1. Upon determination that the infant meets the medical eligibility criteria in N.L.: 05-0502, Sections II.A.1., II.A.2.a. or II.A.2.b., there shall be authorizations issued for the infant who requires hospitalization in a CCS approved NICU as long as CCS residential and financial eligibility requirements are met.
 - a. An authorization for the care provided by the physicians during the NICU stay shall be issued to the NICU Special Care Center (SCC) Directory Number for the Service Code Group (SCG) 02.

Note: If individual procedure codes not in SCG 02 are requested, these codes can be authorized to the physician providing the service.
 - b. An authorization shall be issued to the hospital facility for the approved medically necessary hospital days.
2. The authorizations shall be issued and modified as needed for the duration of the medically necessary hospitalization (N.L.: 05-0502, Section II.A.).
3. If services were denied because the NICU was not approved for the level of care the infant required and the infant remains in the NICU, services may be authorized when the need for the higher level of care diminishes and:
 - a. The infant meets the criteria for NICU eligibility (N.L.: 05-0502, Section II.A.2.a. or Section II.A.2.b.);
 - b. The infant meets CCS residential and financial eligibility requirements; and
 - c. The NICU is approved for the level of care the infant now needs.
4. When the service(s) identified in N.L.: 05-0502, Section II.A.2.a. or II.A.2.b. is (are) no longer required, and the infant is determined to have a CCS eligible medical condition that requires ongoing hospitalization, the authorizations for the infant shall continue to be issued (as described in III.A.1.a.) for as long as hospitalization is medically necessary for the treatment of the eligible condition, and residential and financial eligibility are met.

B. Authorization of Surgeons and Specialty Physician Consultants, and Follow-up Care

1. A CCS Paneled Surgeon

- a. A separate authorization must be issued for the surgical procedure(s) performed while an infant is in a CCS approved NICU.
 - b. A separate authorization for SCG 01 will need to be issued at the time the infant is discharged from the NICU, if:
 - i. The infant is medically eligible for CCS at discharge and continues to require follow-up by the surgeon;
 - ii. The infant is not authorized to a SCC with the surgeon identified as a team member; and
 - iii. CCS residential and financial eligibility requirements are met.
 2. The CCS paneled specialty physician consultants providing services while the infant is in the NICU do not require separate authorizations. These physicians can bill using the NICU SCC SAR.
 3. CCS paneled specialty physicians who will follow a CCS client after discharge will require a separate SCG 01 authorization at the time of the infant's discharge if the infant's follow-up care will not be at a CCS approved SCC and if the infant:
 - a. Is medically eligible at the time of discharge and requires ongoing medical care by the CCS paneled specialty physician and
 - b. Continues to meet CCS program eligibility requirements.
 4. Outpatient SCCs who will follow a CCS client after discharge will require a separate authorization for SCG 02 issued to the SCC directory number at the time of the infant's discharge from the hospital if the infant:
 - a. Is medically eligible at the time of discharge and requires ongoing medical care by the CCS SCC and
 - b. Continues to meet CCS program eligibility requirements.
- C. Authorization of Care After Delivery at a Hospital Without a CCS Approved NICU
1. If the hospital is not a CCS approved hospital, the authorization can be issued using override authority

2. If the physician is not CCS paneled, an SCG 01 authorization can be issued to the outpatient hospital provider number with the hospital as the referring provider.

D. Authorization of an Infant Transport:

1. Air or ground ambulance providers shall be approved for payment of emergency transportation based on the documentation from NICU reports of the need for emergency transport, and the date coincides with admission to a CCS approved NICU (reference Chapter 1.4.6.D.1. and 1.4.6.D.2.).
2. Air or ground ambulance providers shall be authorized for the date of non-emergency transports when the CCS program authorizes the transfer and admission to the receiving hospital and one of the situations identified in Section II.C.5. of this N.L. is met.

If you have any questions regarding this Numbered Letter, please contact your CMS Regional Office Nurse or Medical Consultant.

Original Signed by Robert Dimand

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