



Policy Information

Policy Title	Equipment, Services, and Supplies that are Not Payable	Current Version Publish Date	11/2025
Policy Manual	Reimbursement	Original Effective Date	11/2025
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Policy Applicability (LOB)

<input checked="" type="checkbox"/> Medicare Inc	<input checked="" type="checkbox"/> Commercial IA	<input checked="" type="checkbox"/> Commercial IL	<input checked="" type="checkbox"/> Health Choices
<input checked="" type="checkbox"/> Medicare WI	<input checked="" type="checkbox"/> Commercial WI	<input checked="" type="checkbox"/> CPPHP (Kansas)	

Policy Statement and Purpose

This policy addresses the criteria for reimbursement of supplies and services for facility and non-facility settings. The stipulations are based on CMS coding and reimbursement guidelines. Where CMS is silent, industry standards have been applied. Adhering to these guidelines does not guarantee payment, only eligibility for reimbursement. Actual payment for services will be guided our policies, the medical record and the coverage criteria in the patient's contracted medical plan for whom the services are rendered.

This policy is expressly incorporated into and made a part of all reimbursement agreements and will provide context and clarity to the extent there is ambiguity in payment terms and notwithstanding contrary claims with regard to industry standards or practices.

Policy Definitions

AUDIT/DAST: These are evaluations using two distinct screening tools that assess substance use disorders. **Alcohol Use Disorders Identification Test (AUDIT)/Drug Abuse Screening Test (DAST)**

BiPAP: Bilevel Positive Airway Pressure; non-invasive ventilation that adjusts pressure based on the patient's respiratory efforts. BiPAP makes it easier to exhale.

CMS: Centers for Medicare and Medicaid Services

CPAP: Continuous Positive Airway Pressure; non-invasive ventilation that maintains constant pressure throughout respiratory cycle.

CPT: Current Procedural Terminology. A medical code set maintained by the American Medical Association (AMA) that is used to report medical, surgical, and diagnostic procedures and services to entities such as physicians, health insurance companies and accreditation organizations. CPT is included in Level I Healthcare Common Procedure Coding System (HCPCS).

Current Procedural Terminology (CPT) Codes: A set of standardized medical codes used by healthcare providers, including physicians, hospitals, and laboratories, to describe medical, surgical, and diagnostic services and procedures.

DME: Durable medical equipment

HCPCS: Healthcare Common Procedure Coding System.

Healthcare Common Procedure Coding System (HCPCS): A standardized coding system used in the United States to report medical procedures, services, supplies, and products for billing and insurance claim processing.

HCPCS Level II is the national procedure code set for healthcare practitioners, providers, and medical equipment suppliers when filing health plan claims for medical devices, supplies, medications, transportation services, and other items and services.

IAT: Intraoperative Autologous Transfusion

IONM: Intraoperative Neurophysiological Monitoring is a process used during operative procedures to monitor in real time the function of the nervous system such as the brain, spinal cord, and peripheral nerves.

MAR: Medication Administration Record

MTP: Massive Transfusion Protocol

Medicare: Title XVIII of the Social Security Act, including as amended from time to time.

National Drug Code (NDC): A unique 10-digit or 11-digit, 3-segment number, and a universal product identifier for human drugs in the United States. Each medication is assigned a number under Section 510 of the U.S. Federal Food, Drug and Cosmetic Act. It identifies the manufacturer, product and package size.

National Uniform Billing Committee (NUBC): Committees responsible for the revenue code definitions and requirements for use.

PACU: Post Anesthesia Care Unit

PCA: Patient-controlled Analgesia

PICC: Peripherally Inserted Central Catheter

POC: Point of care

PVR: Post-void Residual

Qualified Healthcare Professional: Physician assistant or clinical nurse specialist who is not a licensed M.D. or D.O. or nurse practitioner.

Revenue Code: A three or four digit numeric code used to categorize the location or department for a type of service, procedure, or item provided to a patient within a healthcare facility.

TEE: Transesophageal Echocardiogram is an interventional radiology procedure that uses ultrasound waves to create detailed images of the heart and its structures, such as the chambers, valves, and surrounding blood vessels.

Unbundling: Reporting multiple HCPCS/CPT codes when a single code exists for the services performed.

Policy Provisions and Required Procedures

The following items, services, and therapies are integral to room and board in any facility setting or constitute components of surgical/non-surgical procedures or are considered bundled into a single payment for an episode of care for non-institutional settings. These items, services and therapies are not eligible for separate reimbursement even if specifically ordered for a patient for a specific therapy/procedure. Below are examples given to facilitate understanding the policy but should not be considered an all-inclusive list.

EQUIPMENT

Any equipment, whether used in the provision of services to multiple patients or a single patient during the course of a procedure or therapy, is not separately reimbursable. Examples include but are not limited to the following:

- **Monitors** of any type regardless of setting, including but not limited to:
 - Cardiac
 - Oximetry
 - Neurological
 - Hemodynamic (e.g. arterial, Swan-Ganz)
 - CO2 End Tidal
 - Fetal
 - Transesophageal Echo (TEE)

- **Radiologic equipment** of any type, regardless of setting
 - Bladder scan
 - Fluoroscopy
 - Ultrasound

- **Instrumentation** of any type regardless of setting, including but not limited to:
 - Scopes of any type including microscopes
 - Lasers
 - Cautery machines
 - Blood pressure cuffs, machines
 - Thermometers
 - Cameras
 - Robotic equipment
 - Perfusion equipment (perfusion time is eligible for separate reimbursement)
 - Compression devices and systems
 - Cell saver equipment
 - Drainage systems and suction devices regardless of use or setting
 - Temperature regulating equipment/supplies for warming or cooling
 - Procedure specific tools regardless of how acquired (purchased, rented) or for what procedure
 - Computerized devices required for diagnostic or therapeutic monitoring, regardless of setting

- **General**
 - Beds of any type
 - DME related to IV administration including but not limited to poles and pumps and PCA devices
 - Ventilators, regardless of setting

SERVICES AND THERAPIES THAT ARE NOT PAYABLE

- **Blood Product Processing, Supplies and Storage Fees**

- The following services are a component of the blood or blood product and not separately reimbursable regardless how it is coded:
 - Blood product collection
 - All processing services including
 - Pooling
 - Leukocyte reduction
 - Irradiating
 - Splitting
 - All blood safety testing including
 - Typing and retyping
 - Cross matching
 - Bacterial and viral testing
 - Electronic or computer assisted blood compatibility testing
 - All blood product transportation and storage costs including freezing and thawing
 - Blood administration supplies

- **Laboratory Services**

- Any procedure that is related to the collection of a specimen regardless of access device and preparation of a sample is not separately payable. Below is a list of services though not all inclusive:
 - All POC testing whether manual or by mobile computer or hand-held device
 - Venipuncture for blood collection regardless of setting or staff performing the sample acquisition

- **Nursing Services**

- Incremental nursing services such as 1:1 care for extraordinary services are within the scope of normal nursing practice for specialty units (ICU, CCU, NICU, etc.) is not eligible for separate reimbursement.
- The following nursing services are within the scope of normal nursing practice and not separately reimbursable:
 - Admission assessments and discharge planning
 - Medication administration, any type
 - Infusion of fluids or medications regardless of setting
 - Blood administration and transfusion services including MTP and IAT
 - Patient monitoring regardless of setting
 - Routine IV insertions and specialized line placements including but not limited to PICC lines
 - Feeding tube placements and infusion of nutrition
 - IV site care regardless of type of IV or area of placement
 - Respiratory therapies including but not limited to:
 - Incentive spirometry including monitoring and training
 - Nebulizer treatments and administration of bronchodilators and mucolytics (medications are eligible for separate payment)
 - Sputum inductions and endotracheal suctioning
 - Blood gas acquisition
 - Ventilator adjustments

- Assisting with bedside procedures regardless of procedure type
 - Urinary catheterization including insertion and site care
 - Bladder scans for PVR
 - POC testing regardless of analysis or method of sample acquisition
 - Surgical prep procedures including pre-op holding
 - PACU services when performed in a specialty unit. Recovery of patients in a specialty unit such as CCU, Neuro ICU, etc. is within the scope of normal nursing duties for nurses working in these areas and not separately reimbursable.
 - Transports both internally and interfacility
 - Patient education including but not limited to diabetes consultation, insulin and other medication administration, lactation consultations, etc.
- **Nutrition and Nutritional Therapies**
 - No food or nutritional item including meals, supplements, donor breast milk, vitamin preparations, herbal remedies, special diets, tube feeding preparations even when ordered by a physician or Qualified Healthcare Professional are a component of room and board and not eligible for separate reimbursement.
- **Obstetrical and Newborn Services**
 - The following services are a component of room and board for obstetric services and not separately payable:
 - Newborn hearing testing
 - Newborn car seat testing
 - Newborn blood screening however, if the sample is sent out to a state lab the lab fee is separately payable but sample collection is not.
 - Cord care and related supplies
 - Breast pumps
 - Heat lamps
 - Bassinets and isolettes including specialty
 - Incubators
 - Diapers
 - Bili blankets
- **Pharmacy Services**
 - Any function that is part of normal pharmacy practice is not separately payable. Below is a list of services though not all inclusive:
 - Patient education including but not limited to diabetes consultation, insulin and other medication administration, etc.
 - Discharge planning
 - Preparation of medications for interfacility transport
 - Attendance/participation during emergency procedures and hospital wide alert signals
 - Any medicament, herbal preparation, elixir, etc. that is available over-the-counter even when ordered by a physician or Qualified Healthcare Professional is not eligible for reimbursement.
 - Heparin and saline flushes to keep IV's and IV lines patent
 - Any medication that is provided by the patient and self-administered is not separately payable even if that medication is identified in the MAR

- **Radiology Services**

- Any radiologic guidance required for needle, catheter or small instrument placement through blood vessels, pathways, or body cavities that would diagnose, treat, supervise a procedure is a component of the procedure and not separately reimbursable.
 - Examples: CPT 76000, 77002, 77003, 76942, 76998 are not payable.
- Any radiologic supervision and interpretation is a component of the procedure and is not eligible for separate payment.
- Specialized IT programming services to integrate diverse data types, such as genomic, imaging, and clinical data for cancer therapies and treatments is a component of the cancer therapy and not separately reimbursable.
- The following supplies are a component of the procedure or interventional radiology and not separately payable:
 - Catheters
 - Tubing
 - Needles
 - Guide wires
 - Sheaths
 - Introducers
 - Drugs and contrast materials
 - Oxygen

- **Respiratory Therapy Services**

- Any procedure or duty that is within the scope of normal respiratory practice is not separately payable. Below is a list of services though not all inclusive:
 - Respiratory assessments
 - Respiratory therapies including but not limited to:
 - Incentive spirometry including equipment, monitoring and training
 - Nebulizer treatments and administration of bronchodilators and mucolytics (medications are eligible for separate payment)
 - Sputum inductions and endotracheal suctioning
 - Mechanical chest wall oscillations
 - Ventilator system checks and any type of adjustments
 - Ventilator management for new medical orders
 - Ventilator weaning trials and extubation
 - CPAP and BiPAP services on patient's own equipment
 - Blood gas acquisition
 - POC blood gas testing by mobile computer or hand-held device for single analysis or blood oxygen saturation trending
 - Pulmonary function tests performed at the bedside for diagnostic or therapeutic purposes
 - Transports both internally and interfacility

- **Social Services**

- The following services are a component of room and board and not eligible for separate payment:
 - AUDIT/DAST evaluations regardless of practitioner performing the service
 - Spiritual care
 - Genetic counseling unrelated to specific gene testing
 - Massage therapy

- **Surgical Services**

- The following services are considered a component of the surgery or procedure in a facility setting and not eligible for separate payment:
 - Local anesthesia is not eligible for reimbursement. It is bundled into the procedure for which the anesthesia is required.
 - Moderate conscious sedation services when performed by an RN are bundled in the procedure and not eligible for separate reimbursement.
 - Support of hemostasis or any process to prevent or stop bleeding perioperatively or post operatively is not separately payable unless patient must be returned to the OR.
 - Incisional closure devices and vascular closure devices, any type
 - Intraoperative Neuromuscular Monitoring (IONM)
 - Intraoperative injections including the medications and supplies required
 - Supplies that are a component of the procedure include but not limited to:
 - Disinfectants
 - Irrigation supplies including fluids and medications
 - Arm boards and joint protectors
 - Ambu bags and crash cart supplies
 - Dressings and bandages and related supplies
 - Prep or procedure kits
 - Casting and splinting supplies

SUPPLIES THAT ARE NOT PAYABLE

- The following are a component of room and board and not separately reimbursable:
 - Admission kits
 - Hygiene, wipes, comfort or personal convenience items regardless of type or setting
 - Batteries, electrodes and leads regardless of equipment type or setting
 - Gloves, gowns, masks,
 - Bed pans, emesis basins,
 - Bed sheets, linens of any type
 - Diapers
 - Incontinence pads
 - Prep kits of any type regardless of use or setting
 - Breast pumps
 - Oxygen, oxygen supplies and masks
 - Drapes, towels regardless of type or setting
 - Any reusable item whether general or specific to a department
 - Restraints regardless of type or setting
 - Any OTC item including drugs
 - Urinary catheters
 - Isolation supplies
 - Ambu bags and crash cart supplies
 - Dressings and bandages and related supplies
 - Braces and supports that are commercially available
 - Skin ointments and creams that are commercially available
 - Clothing
 - Lozenges
 - Herbal antiemetics

- **Unused and Discarded Items and Supplies**

- MAHP will only reimburse items eligible for reimbursement when actually used
- Defective items such as implants are not payable. Provider should return these to manufacturer for refund.
- Implants or supplies that were dropped or placed outside the sterile field are not eligible for reimbursement.
- Wasted or discarded drugs are eligible for reimbursement under certain conditions. See Reimbursement Policy Manual: ***Reimbursements for Drugs, Biologics and Other Pharmaceuticals***

CODES THAT ARE NOT PAYABLE

- **CPT 99070**

In general, whenever a code is billed which includes multiple services and supplies either by code or description, that service/supply is not eligible for separate reimbursement. Correct coding guidelines stipulate that the most specific and comprehensive code that is available at the time a service is rendered should be selected to report the service or supply. CPT 99070 is an example of a code that often is used as a catchall code to bill supplies, medications, and devices that do not have a specific code with the goal of procuring payment for non-standard items. Medical Associates Health Plan has found that such reimbursement requests are unbundled components of another service or supply and thus will not pay for any service or supply billed with CPT 99070.

- **Status B Codes**

Status B codes represents a procedure or service that is always bundled into the payment for another service. Status B codes are not eligible for separate reimbursement.

- **Non-covered Services**

Any CPT/HCPCS code that CMS deems to be a non-covered service is not eligible for separate reimbursement.

Related Policies	
Related Training/ Job Aids	
NCQA Standard	
References	
Exhibits	

Policy Owners / Reviewers

Department Owner	Lisa Kuhls	Date Reviewed	11/2025
Department Reviewer	Network Strategy	Date Reviewed	12/2025
Approving Committee if applicable	<input type="checkbox"/> Compliance <input checked="" type="checkbox"/> UMC <input type="checkbox"/> QIC <input checked="" type="checkbox"/> Board of Directors	Date Approved	2/2026 3/2026

	<input type="checkbox"/> Other: _____		
History			
<i>Date of revision</i>	<i>Summary of changes</i>		