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Provider update

Facility reimbursement for early elective deliveries

Summary of update: To improve birth outcomes for our members and further reduce early elective deliveries (EEDs), effective **July 1, 2020**, Amerigroup Community Care will require a Z3A code indicating the gestational age on all facility delivery claims. To be eligible for reimbursement, claims for EEDs will also require a medical necessity diagnosis that supports coverage of an EED. Amerigroup will apply *MCG Care Guidelines,* which define medically necessary criteria for EEDs.

Background:

We appreciate the recent improvements in EED rates across the country. The collaborative efforts of state Medicaid agencies, the March of Dimes, CMS, the Joint Commission, the American Congress of Obstetricians and Gynecologists, and many others contributed to these improvements. Hospital hard-stop policies describing the review of clinical indication and scheduling approval for EEDs also increased awareness of the harm that can be caused by non-medically necessary EEDs and encouraged discussion between patients, care providers and hospitals. Additionally, voluntary efforts combined with payment reform have been found to further decrease EED rates while increasing gestational age and birth weight for the covered population.*

What is the impact of this change?

All facility delivery claims (for example, 10D, 10D0, 10D00Z0, 10D00Z1, 10D00Z2, 10D00Z3, 10D00Z4, 10D00Z5, 10D00Z6, 10D00Z7, 10D00Z8, 10D1, 10D17Z9, 10D17ZZ, 10D18Z9, 10D18ZZ, 10E, 10E0 & 10E0XZZ) with dates of service July 1, 2020, or after will require a Z3A code indicating the gestational age at the time of delivery. If the code isn't on the claim, we will deny the claim with the explanation code *e02 — Delivery diagnoses incomplete without report of pregnancy weeks of gestation*. You may resubmit the claim with the appropriate Z3A code.

Facility delivery claims with dates of service on or after July 1, 2020, with gestational ages prior to 39 weeks will require a supporting medically necessary diagnosis code for the early delivery. If a facility delivery claim is submitted without evidence of medical necessity, it will deny with the explanation code *k34 — Delivery is not medically indicated*. Instances of spontaneous labor early delivery will require the submission of code O60.10x0.

You may resubmit the claim with the appropriate supporting diagnosis code or submit an appeal with the relevant medical records. For more information on the appeal process, refer to the provider manual located on the provider website at **https://providers.amerigroup.com/NJ**.

What if I need assistance?

If you have questions, received this communication in error or need assistance with any other item, contact your local Provider Relations representative or call Provider Services at **1-800-454-3730**.

* Dahlen, H. M., et al. (2017). Texas Medicaid Payment Reform: Fewer Early Elective Deliveries and Increased Gestational Age and Birthweight. Health Affairs, 36 (3), 460-467.