



## Administrative policy: Inpatient Readmissions — Facility Effective date: July 1, 2025

Massachusetts | Commercial

### Disclaimer

These reimbursement policies serve as a guide to assist you in accurate claims submissions and to outline the basis for reimbursement if the service is covered by a member's benefit plan. The determination that a service, procedure, or item is covered under a member's benefit plan is not a determination that you will be reimbursed. Services must also meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis, as well as to the member's state of residence.

Ensure that you use proper billing and submission guidelines, including industry-standard, compliant codes on all claim submissions. Services should be billed with Current Procedure Terminology® (CPT) codes, Healthcare Common Procedure Coding System (HCPCS) codes and/or revenue codes. These codes denote the services and/or procedures performed and when billed, must be fully supported in the medical record and/or office notes. Unless otherwise noted within the policy, our reimbursement policies apply to both participating and non-participating professional providers and facilities.

If appropriate coding/billing guidelines or current reimbursement policies are not followed, we may:

- Reject or deny the claim.
- Recover and/or recoup claim payment.

These reimbursement policies may be superseded by mandates in provider, state, federal, or Centers for Medicare & Medicaid Services (CMS) contracts and/or requirements. We strive to minimize delays in policy implementation. If there is a delay, we reserve the right to recoup and/or recover claims payment to the effective date, in accordance with the policy. We reserve the right to review and revise

<https://www.wellpoint.com/mass/providers>

Claims are administered by Wellpoint Life and Health Insurance Company.  
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these policies when necessary. When there is an update, we will publish the most current policy to the website.

## Policy

Wellpoint does not allow separate reimbursement for claims that have been identified as an unplanned readmission to the same facility or another facility that (i) operates under the same Facility Agreement, (ii) has the same tax identification number as Facility, or (iii) is under common ownership<sup>1</sup> as a Facility.

Wellpoint uses the following standards:

- Unplanned readmission up to 30 days from discharge
- Same, similar, or related diagnoses

Wellpoint will use clinical coding criteria or licensed clinical medical review to determine if the subsequent admission is for the same, similar, or related diagnosis. This includes readmissions for:

- The same, similar, or closely related condition or procedure as the prior discharge, OR
- An infection or other complication of care, OR
- A condition or procedure indicative of a failed surgical intervention, OR
- An acute decompensation or exacerbation of a coexisting chronic disease that manifested during the index admission, OR
- An issue caused by a premature discharge from the index admission facility.

Reimbursement is only allowed for the index admission, including when the member receives home care or post-acute care services between the index admission and the readmission. The admissions may not be combined to qualify for outlier reimbursement. When separate reimbursement for the readmission to inpatient level of care is not allowed, this readmission to inpatient level of care may not be billed as an Observation stay. When an observation stay within 30 days of discharge from a prior related DRG admission occurs, there must be medical record documentation for observation services, including a written order that clearly states that the member is on observation status when they are placed on observation.

Wellpoint reserves the right to refuse a claim or to recoup and/or recover monies previously paid on a claim that falls within the guidelines of this policy.

**Note:** Readmissions occurring on the same day (exact date of service) for the same, similar, or related condition of the prior stay's medical condition are considered a continuation of initial treatment and part of the index admission. Providers should submit both admissions on a single claim.

### Exclusions:

- This policy does not apply to inpatient readmissions for members under 18.
- This policy does not apply to readmissions to the acute rehabilitation level of care.
- Transfers from one facility to another would not be considered a readmission to the originating facility if the member continues to require acute hospital-level care following treatment at the receiving facility and is transferred back to the originating facility from the receiving facility when:
  - medically necessary care (such as expertise or level of care) is unavailable at the originating facility, OR
  - a neonate requires surgical intervention and returns to the originating facility for ongoing NICU care.
- Admissions for covered transplant services during the global case rate period for the transplant. Planned readmissions
- Examples include staged surgery for a burn victim or scheduled chemotherapy for an oncology patient.

This policy applies to those facilities reimbursed for inpatient services by a DRG or Case Rate methodology.

### Definitions

Index Admission	The initial hospital stay for a patient is the starting point for tracking diagnosis-related groups (DRG) readmissions.
Unplanned Readmission	An acute readmission that was not identified, recommended, or scheduled at the time of discharge from the index admission and that occurs within the established period of time as outlined in the policy above, following the initial admission.
Planned Readmission	Elective readmission for a scheduled procedure

### Use of administrative policy

This policy is subject to federal and state laws, to the extent applicable, as well as the terms, conditions, and limitations of a member's benefits on the date of service. Administrative Policy is constantly evolving, and we reserve the right to review and update these policies periodically. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, or otherwise, without permission from Wellpoint.

1 Common ownership refers to situations in which hospitals in the same system may use different Tax IDs.