

# Hospital Services (Inpatient and Outpatient)

**Policy Number:** BIP082.M  
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[Instructions for Use](#)

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<b>Related Benefit Interpretation Policies</b>
<ul style="list-style-type: none"> <li>• Blood and Blood Products</li> <li>• Chemical Dependency/ Substance Abuse Detoxification</li> <li>• Chemotherapy</li> <li>• Cosmetic, Reconstructive or Plastic Surgery</li> <li>• Dental Care and Oral Surgery</li> <li>• Diagnostic and Therapeutic Radiology Services</li> <li>• Emergency and Urgent Services</li> <li>• Experimental and Investigational Services</li> <li>• Maternity and Newborn Care</li> <li>• Medical Necessity</li> <li>• Rehabilitation Services (Physical, Occupational, and Speech Therapy)</li> <li>• Services/Complications Related to Non-Covered Services</li> <li>• Transplantation Services</li> </ul>
<b>Related Medical Management Guidelines</b>
<ul style="list-style-type: none"> <li>• <a href="#">Hospital Services: Observation and Inpatient</a></li> </ul>

## Federal/State Mandated Regulations

### Inpatient Hospital Services

#### *Oklahoma*

#### **Oklahoma Administrative Code (OAC) Section 365:40-5-20**

<http://okrules.elaws.us/oac/365:40-5-20>

Basic health care services shall include:

- (3) Inpatient hospital services including room and board, general nursing care, meals and special diets when medically necessary, use of operating room and related facilities, use of intensive care unit and services, x-ray services, laboratory, and other diagnostic tests, drugs, medications, biologicals, anesthesia and oxygen services, special duty nursing when medically necessary, radiation therapy, inhalation therapy, perfusion, and administration of whole blood and blood plasma.

#### *Texas*

#### **28 Texas Administrative Code (TAC) Section 11.508, Basic Health Services and Mandatory Benefit Standards: Group, Individual, and Conversion Agreements**

[https://texreg.sos.state.tx.us/public/readtac\\$ext.TacPage?sl=R&app=9&p\\_dir=&p\\_rloc=&p\\_tloc=&p\\_ploc=&pg=1&p\\_tac=&ti=28&pt=1&ch=11&rl=508](https://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=28&pt=1&ch=11&rl=508)

- (a) Each evidence of coverage providing basic health care services must provide the following basic health care services when they are provided by network physicians or providers, or by non-network physicians and providers as set out in

§11.506(9)(b) or §11.506(b)(14) of this title; (relating to Mandatory Contractual Provisions: Group, Individual, and Conversion Agreement and Group Certificate):

- (2) Inpatient hospital services, including room and board, general nursing care, meals and special diets when medically necessary, use of operating room and related facilities, use of intensive care unit and services, X-ray services, laboratory and other diagnostic tests, drugs, medications, biologicals, anesthesia and oxygen services, private duty nursing when medically necessary, radiation therapy, inhalation therapy, whole blood including cost of blood, blood plasma, and blood plasma expanders, that are not replaced by or for the enrollee; administration of whole blood and blood plasma; and short-term rehabilitation therapy services in the acute hospital setting.
- (3) Inpatient physician care services, including services performed, prescribed, or supervised by physicians or other health professionals, including diagnostic, therapeutic, medical, surgical, preventive, referral, and consultative health care services.

## **Washington**

### **Washington Administrative Code (WAC) Section 284-44-500, Alternative Care – General Rules as to Minimum Standards**

<https://apps.leg.wa.gov/wac/default.aspx?cite=284-44-500>

- (1) As an alternative to hospitalization or institutionalization of an insured and with the intent to cover placement of the insured patient in the most appropriate and cost-effective setting, every individual or group, contract of a health care service contractor issued, amended, or renewed on or after January 1, 1995, which provides coverage for hospitalization or other institutional expenses to a resident of this state shall include substitution of home health care, provided in lieu of hospitalization or other institutional care, furnished by home health, hospice and home care agencies licensed under chapter 70.127 RCW, at equal or lesser cost.
- (2) In addition, such expenses may include coverage for durable medical equipment which permits the insured to stay at home, care provided in Alzheimer's centers, adult family homes, assisted living facilities, congregate care facilities, adult day health care, home health, hospice and home care, or similar alternative care arrangements which provide necessary care in less restrictive or less expensive environments.
- (3) Substitution of less expensive or less intensive services shall be made only with the consent of the insured and upon the recommendation of the insured's attending physician or licensed health care provider that such services will adequately meet the insured patient's needs. The decision to substitute less expensive or less intensive services shall be determined based on the medical needs of the individual insured patient.
- (4) A health care service contractor may require that home health agencies or similar alternative care providers have written treatment plans which are approved by the insured patient's attending physician or other licensed health care provider.
- (5) Coverage may be limited to no less than the maximum benefits which would be payable for hospital or other institutional expenses under the contract, and may include all deductibles and coinsurances which would be payable by the insured under the hospital or other institutional expense coverage of the insured's policy or contract.

## **Outpatient Hospital Services**

### **Oklahoma**

#### **Citations: OAC Section 365:40-5-20**

<http://okrules.elaws.us/oac/365:40-5-20>

Basic health care services shall include:

- (2) Outpatient services including diagnostic services, treatment services and x-ray services, for patients who are ambulatory and may be provided in a non-hospital based health care facility or at a hospital.
- (4) Outpatient services and inpatient hospital services including short-term rehabilitation services and physical therapy which the HMO expects can result in the significant improvement of an enrollee's condition within two months
- (7) Diagnosis, medical treatment and referral services (including referral services to appropriate ancillary services) for the abuse of or addiction to alcohol and drugs, including
  - (A) Diagnosis and medical treatment for the abuse of or addiction to alcohol and drugs including detoxification for alcoholism or drug abuse on either an outpatient or inpatient basis, whichever is medically determined to be appropriate, in addition to the other required basic health care services for the treatment of other medical conditions.

## Oregon

### Oregon Revised Statute (ORS) Section 743A.130, Proton Beam Therapy

[https://oregon.public.law/statutes/ors\\_743a.130](https://oregon.public.law/statutes/ors_743a.130)

- (1) A health benefit plan, as defined in [ORS 743B.005 \(Definitions\)](#), that provides coverage of radiation therapy for the treatment of prostate cancer must provide coverage for proton beam therapy for the treatment of prostate cancer on a basis no less favorable than the coverage of radiation therapy.
- (2) The coverage of proton beam therapy under subsection (1) of this section may be subject to prior authorization, as defined in [ORS 743B.001 \(Definitions\)](#), or other utilization review, as defined in [ORS 743B.001 \(Definitions\)](#), if the prior authorization or utilization review applied to proton beam therapy is no more restrictive than the prior authorization or utilization review applied to radiation therapy.
- (3) This section is exempt from [ORS 743A.001 \(Automatic repeal of certain statutes on individual and group health insurance\)](#). [2019 c.466 §2; 2021 c.384 §1]

Note: [743A.130 \(Proton beam therapy\)](#) was added to and made a part of the Insurance Code by legislative action but was not added to ORS chapter 743A or any series therein. See Preface to Oregon Revised Statutes for further explanation.

## Texas

### 28 TAC Section 11.508, Basic Health Care Services and Mandatory Benefit Standards: Group, Individual, and Conversion Agreements

[https://texreg.sos.state.tx.us/public/readtac\\$ext.TacPage?sl=R&app=9&p\\_dir=&p\\_rloc=&p\\_tloc=&p\\_ploc=&pg=1&p\\_tac=&ti=28&pt=1&ch=11&rl=508](https://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=28&pt=1&ch=11&rl=508)

- (a) Each evidence of coverage providing basic health care services must provide the following basic health care services when they are provided by network physicians or providers, or by non-network physicians and providers as set out in §11.506 (b)(9) or §11.506(b)(14) of this title; (relating to Mandatory Contractual Provisions: Group, Individual, and Conversion Agreement and Group Certificate)
  - (4) Outpatient hospital services, including treatment services; ambulatory surgery services; diagnostic services, including laboratory, radiology, and imaging services; rehabilitation therapy; and radiation therapy.

## State Market Plan Enhancements

### Oklahoma

Nursing services, special duty nursing care is covered when medically necessary and ordered by the member's contracting primary care physician.

### Texas

Private duty and special duty nursing care is covered when medically necessary and the member is inpatient in an acute care hospital.

## Covered Benefits

**Important Note:** Covered benefits are listed in *Federal/State Mandated Regulations*, *State Market Plan Enhancements*, and *Covered Benefits* sections. Always refer to the *Federal/State Mandated Regulations* and *State Market Plan Enhancements* sections for additional covered services/benefits not listed in this section.

Refer to the member's Evidence of Coverage (EOC)/ Schedule of Benefits (SOB) to determine coverage eligibility.

### Inpatient Hospital Services

Inpatient hospital services, supplies, and treatments for medically necessary services provided through the member's contracting/network medical group or UnitedHealthcare are covered (refer to the Benefit Interpretation Policy titled [Medical Necessity](#)).

- **Exception:** Emergency or urgently needed services (refer to the Benefit Interpretation Policy titled [Emergency and Urgent Services](#))

Examples of services that may be performed in an inpatient hospital setting include, but are not limited to:

- Acute care including, but not limited to:
  - Anesthesia and oxygen services
  - Drugs, medications, and biologicals while member is an inpatient
  - General nursing care and other licensed health professionals
  - Laboratory and professional charges by the hospital pathologist or radiologist and other miscellaneous hospital charges for all medically necessary care, treatment and services as required (refer to the Benefit Interpretation Policy titled [Diagnostic and Therapeutic Radiology Services](#))
  - Semi-private room and board
  - Use of medically necessary inpatient units required to provide care, treatment, and services (e.g., ICU, CCU, telemetry unit)
  - Use of the operating room (OR) and related facilities (e.g., recovery room)
- Blood and blood products (refer to the Benefit Interpretation Policy titled [Blood and Blood Products](#))
- Hospice (Refer to the Benefit Interpretation Policy titled [Hospice](#))
- Mastectomy, breast reconstruction after mastectomy and complications from mastectomy (refer to the Medical Management Guideline titled [Breast Reconstruction](#))
- Maternity care and services (refer to the Benefit Interpretation Policy titled [Maternity and Newborn Care](#))
- Mental health and substance-related and addictive disorders services (refer to the Benefit Interpretation Policies titled [Inpatient and Outpatient Mental Health](#) and [Chemical Dependency/Substance Abuse Detoxification](#))
- Newborn care (refer to the Benefit Interpretation Policy titled [Maternity and Newborn Care](#))
- Physician and specialist care
- Reconstructive surgery (refer to the Benefit Interpretation Policy titled *Cosmetic, Reconstructive, or Plastic Surgery for [OK Members](#), [OR Members](#), [TX Members](#), and [WA Members](#)*)
- Rehabilitation, including physical, occupational, and speech therapies [refer to the Benefit Interpretation Policy titled [Rehabilitation Services \(Physical, Occupational, and Speech Therapy\)](#)]
- Skilled nursing/subacute and transitional care [refer to the Benefit Interpretation Policy titled [Skilled Nursing Facility \(SNF\): Skilled Nursing Facility \(SNF\) Care](#)]
- Transplantation services (refer to the Benefit Interpretation Policy titled [Transplantation Services](#))

## Outpatient Hospital Services

Medically necessary outpatient hospital services, supplies, and treatments provided by the member's primary care physician, or authorized by the contracting/network medical group or UnitedHealthcare are covered (refer to the Benefit Interpretation Policy titled [Medical Necessity](#)).

- **Exception:** Emergency or urgently needed services (refer to the Benefit Interpretation Policy titled [Emergency and Urgent Services](#))

Examples of services that may be performed in an outpatient hospital setting include, but are not limited to:

- Blood and blood products (refer to the Benefit Interpretation Policy titled [Blood and Blood Products](#))
- Clinical trials (refer to the Benefit Interpretation Policy titled [Clinical Trials](#))
- Diabetic management and treatment (refer to the Benefit Interpretation Policy titled [Diabetic Management, Services and Supplies](#))
- Dialysis (refer to the Benefit Interpretation Policy titled [Dialysis Services](#))
- Hospice (refer to the Benefit Interpretation Policy titled [Hospice](#))
- Injectable drugs (infusion therapy, outpatient injectable medications, and self-injectable medications) (refer to the Benefit Interpretation Policy titled [Medications and Off-Label Drugs](#))
- Laboratory services
- Maternity care and services (refer to the Benefit Interpretation Policy titled [Maternity and Newborn Care](#))
- Medically necessary services, treatments, or procedures performed in a hospital outpatient services department setting or a free-standing facility that is not a certified ambulatory surgical center or outpatient surgery department of an acute hospital are covered
- Mental health services (refer to the Benefit Interpretation Policy titled [Inpatient and Outpatient Mental Health](#))
- Oral surgery and dental services: dental treatment anesthesia when criteria are met (refer to the Benefit Interpretation Policy titled [Dental Care and Oral Surgery](#))
- Radiation therapy
- Short-stay, same-day, or other similar outpatient surgery facilities and professional services
- Rehabilitative services, including physical, speech, and occupational therapies [refer to the Benefit Interpretation Policy titled [Rehabilitation Services \(Physical, Occupational and Speech Therapy\)](#)]

- Standard X-rays and specialized scanning and imaging procedures (refer to the Benefit Interpretation Policy titled [Diagnostic and Therapeutic Radiology Services](#))
- Substance use disorder services (refer to the Benefit Interpretation Policy titled [Chemical Dependency/Substance Abuse Detoxification](#))

## Not Covered

### Inpatient Hospital Services

Examples of non-covered inpatient services include, but are not limited to:

- Elective non-medically necessary and/or non-authorized surgeries and/or procedures (refer to the Benefit Interpretation Policy titled *Cosmetic, Reconstructive, or Plastic Surgery* for [OK Members](#), [OR Members](#), [TX Members](#) and [WA Members](#))
- Experimental/investigational procedures, items, and treatments (refer to the Benefit Interpretation Policy [Experimental and Investigational Services](#))
- Private rooms, unless medically necessary
- Personal or comfort items
- Prescription medications (refer to the members supplemental pharmacy benefit)
- Private duty nursing care (unless mandated by state; refer to [State Market Plan Enhancements](#))

### Outpatient Hospital Services

Examples of non-covered outpatient services include, but are not limited to:

- Elective non-medically necessary and/or non-authorized surgeries and/or procedures (refer to the Benefit Interpretation Policy titled *Cosmetic, Reconstructive, or Plastic Surgery* for [OK Members](#), [OR Members](#), [TX Members](#), and [WA Members](#))
- Experimental/investigational treatment on an outpatient basis (refer to the Benefit Interpretation Policy [Experimental and Investigational Services](#))
- Personal or comfort items
- Prescription medications (refer to the members supplemental pharmacy benefit and the Benefit Interpretation Policy titled [Medications and Off-Label Drugs](#))

## Policy History/Revision Information

Date	State(s) Affected	Summary of Changes
09/01/2024	All	<p><b>Covered Benefits</b></p> <p><b><i>Inpatient Hospital Services</i></b></p> <ul style="list-style-type: none"> <li>• Replaced language indicating “<i>acute</i> inpatient hospital services and supplies <i>must be</i> medically necessary and provided through the network medical group or UnitedHealthcare, <i>unless it is an emergency situation or an urgently needed service while temporarily outside of the area</i>” with “inpatient hospital services, supplies, and treatments for medically necessary services provided through member’s contracting/network medical group or UnitedHealthcare; <i>exceptions [are]</i> emergency or urgently needed services”</li> <li>• Revised list of examples of covered services that may be performed in an inpatient hospital setting to reflect/include: <ul style="list-style-type: none"> <li>○ Acute care, including but not limited to: <ul style="list-style-type: none"> <li>▪ Anesthesia and oxygen services</li> <li>▪ Drugs, medications, and biologicals while member is an inpatient</li> <li>▪ General nursing care and other licensed health professionals</li> <li>▪ Laboratory and professional charges by the hospital pathologist or radiologist and other miscellaneous hospital charges for all medically necessary care, treatment, and services, as required (refer to the Benefit Interpretation Policy titled <i>Diagnostic and Therapeutic Radiology Services</i>)</li> <li>▪ Semi-private room and board</li> <li>▪ Use of medically necessary inpatient units required to provide care, treatment, and services (e.g., ICU, CCU, telemetry unit)</li> </ul> </li> </ul> </li> </ul>

Date	State(s) Affected	Summary of Changes
		<ul style="list-style-type: none"> <li>▪ Use of the operating room (OR) and related facilities (e.g., recovery room)</li> <li>○ Blood and blood products (refer to the Benefit Interpretation Policy titled <i>Blood and Blood Products</i>)</li> <li>○ Hospice (refer to the Benefit Interpretation Policy titled <i>Hospice</i>)</li> <li>○ Mastectomy, breast reconstruction after mastectomy, and complications from mastectomy (refer to the Medical Management Guideline titled <i>Breast Reconstruction</i>)</li> <li>○ Maternity care and services (refer to the Benefit Interpretation Policy titled <i>Maternity and Newborn Care</i>)</li> <li>○ Mental health and substance-related and addictive disorders services (refer to the Benefit Interpretation Policies titled <i>Inpatient and Outpatient Mental Health</i> and <i>Chemical Dependency/Substance Abuse Detoxification</i>)</li> <li>○ Newborn care (refer to the Benefit Interpretation Policy titled <i>Maternity and Newborn Care</i>)</li> <li>○ Physician and specialist care</li> <li>○ Reconstructive surgery (refer to the Benefit Interpretation Policy titled <i>Cosmetic, Reconstructive, or Plastic Surgery</i>)</li> <li>○ Rehabilitation, including physical, occupational, and speech therapies [refer to the Benefit Interpretation Policy titled <i>Rehabilitation Services (Physical, Occupational, and Speech Therapy)</i>]</li> <li>○ Skilled nursing/subacute and transitional care [refer to the Benefit Interpretation Policy titled <i>Skilled Nursing Facility (SNF): Skilled Nursing Facility (SNF) Care</i>]</li> <li>○ Transplantation services (refer to the Benefit Interpretation Policy titled <i>Transplantation Services</i>)</li> </ul> <p><b>Outpatient Hospital Services</b></p> <ul style="list-style-type: none"> <li>● Replaced language indicating “medically necessary outpatient services and supplies, treatments, <i>or procedures performed in a hospital outpatient services department setting or a free-standing facility that is not a certified ambulatory surgical center or outpatient surgery department of an acute hospital</i> provided by the member’s primary care physician, or authorized by the network medical group or UnitedHealthcare” with “medically necessary outpatient <i>hospital</i> services, supplies, and treatments provided by the member’s primary care physician, or authorized by the <i>contracting/network</i> medical group or UnitedHealthcare are covered; <i>exceptions [are] emergency or urgently needed services (refer to the Benefit Interpretation Policy titled Medical Necessity)</i>”</li> <li>● Revised list of examples of covered services that may be performed in an outpatient hospital setting to reflect/include: <ul style="list-style-type: none"> <li>○ Blood and blood products (refer to the Benefit Interpretation Policy titled <i>Blood and Blood Products</i>)</li> <li>○ Clinical trials (refer to the Benefit Interpretation Policy titled <i>Clinical Trials</i>)</li> <li>○ Diabetic management and treatment (refer to the Benefit Interpretation Policy titled <i>Diabetic Management, Services, and Supplies</i>)</li> <li>○ Dialysis (refer to the Benefit Interpretation Policy titled <i>Dialysis Services</i>)</li> <li>○ Hospice (refer to the Benefit Interpretation Policy titled <i>Hospice</i>)</li> <li>○ Injectable drugs (infusion therapy, outpatient injectable medications, and self-injectable medications) (refer to the Benefit Interpretation Policy titled <i>Medications and Off-Label Drugs</i>)</li> <li>○ Laboratory services</li> <li>○ Maternity care and services (refer to the Benefit Interpretation Policy titled <i>Maternity and Newborn Care</i>)</li> <li>○ Medically necessary services, treatments, or procedures performed in a hospital outpatient services department setting or a free-standing</li> </ul> </li> </ul>

Date	State(s) Affected	Summary of Changes
		<p>facility that is not a certified ambulatory surgical center or outpatient surgery department of an acute hospital</p> <ul style="list-style-type: none"> <li>○ Mental health services (refer to the Benefit Interpretation Policy titled <i>Inpatient and Outpatient Mental Health</i>)</li> <li>○ Oral surgery and dental services; dental treatment anesthesia when criteria are met (refer to the Benefit Interpretation Policy titled <i>Dental Care and Oral Surgery</i>)</li> <li>○ Radiation therapy</li> <li>○ Short-stay, same-day, or other similar outpatient surgery facilities and professional services</li> <li>○ Rehabilitative services, including physical, speech, and occupational therapies [refer to the Benefit Interpretation Policy titled <i>Rehabilitation Services (Physical, Occupational and Speech Therapy)</i>]</li> <li>○ Standard X-rays and specialized scanning and imaging procedures (refer to the Benefit Interpretation Policy titled <i>Diagnostic and Therapeutic Radiology Services</i>)</li> <li>○ Substance use disorder services (refer to the Benefit Interpretation Policy titled <i>Chemical Dependency/Substance Abuse Detoxification</i>)</li> </ul> <p><b>Not Covered</b></p> <p><b><i>Inpatient Hospital Services</i></b></p> <ul style="list-style-type: none"> <li>● Removed language indicating services and items not considered reasonable and medically necessary for the diagnosis, care, and treatment of an illness or injury suffered by the hospitalized member are not covered</li> <li>● Revised list of examples of non-covered inpatient hospital services: <ul style="list-style-type: none"> <li>○ Replaced: <ul style="list-style-type: none"> <li>▪ “Elective non-medically necessary surgery and procedures” with “elective non-medically necessary <i>and/or non-authorized</i> surgeries <i>and/or procedures</i>”</li> <li>▪ “<i>Take home medications and/or supplies unless</i> member has a supplemental pharmacy benefit” with “<i>prescription medications (refer to the member’s supplemental pharmacy benefit)</i>”</li> </ul> </li> <li>○ Removed: <ul style="list-style-type: none"> <li>▪ Early admission to perform pre-operative testing unless prior approved</li> <li>▪ Early admission for the member, member’s family, or member’s physician’s convenience</li> <li>▪ Continued stay in the hospital for services that could have been appropriately and safely performed as an outpatient or the member could have been discharged</li> </ul> </li> </ul> </li> </ul> <p><b><i>Outpatient Hospital Services</i></b></p> <ul style="list-style-type: none"> <li>● Revised list of examples of non-covered outpatient hospital services: <ul style="list-style-type: none"> <li>○ Added: <ul style="list-style-type: none"> <li>▪ Personal or comfort items</li> <li>▪ Prescription medications (refer to the member’s supplemental pharmacy benefit and the Benefit Interpretation Policy titled <i>Medications and Off-Label Drugs</i>)</li> </ul> </li> <li>○ Removed: <ul style="list-style-type: none"> <li>▪ Cosmetic surgery</li> <li>▪ Physical rehabilitation day treatment programs</li> </ul> </li> <li>○ Replaced “non-medically necessary <i>and/or non-authorized outpatient</i> surgeries <i>and/or procedures</i>” with “<i>elective non-medically necessary and/or non-authorized</i> surgeries <i>and/or procedures</i>”</li> </ul> </li> </ul> <p><b>Supporting Information</b></p> <ul style="list-style-type: none"> <li>● Archived previous policy version BIP082.L</li> </ul>

## Instructions for Use

Covered benefits are listed in three (3) sections: *Federal/State Mandated Regulations*, *State Market Plan Enhancements*, and *Covered Benefits*. All services must be medically necessary. Each benefit plan contains its own specific provisions for coverage, limitations, and exclusions as stated in the member's Evidence of Coverage (EOC)/Schedule of Benefits (SOB). If there is a discrepancy between this policy and the member's EOC/SOB, the member's EOC/SOB provision will govern.