



Highmark Blue Cross Blue Shield (Highmark BCBS) partners with Wellpoint companies to administer certain services to Medicaid Managed Care (MMC), Health and Recovery Plan (HARP), Child Health Plus (CHPlus), and Essential Plan (EP) members. Please note, this information is specific to the MMC, HARP, CHPlus, and EP programs only.

Reimbursement Policy

DRG Inpatient Facility Transfers

Policy Number: **G-13002**
Policy Section: **Facilities**
Last Approval Date: **8/18/2025**
Effective Date: **10/13/2021**

Visit our provider website for the most current version of the reimbursement policies. If you are using a printed version of this policy, please verify the information by going to <https://providerpublic.mybcbswny.com>.

Policy

The health plan allows payment for services rendered by both the sending and the receiving facility when a member is admitted to one acute care facility and subsequently transferred to another acute care facility for the same episode of care, unless provider, state, federal, or CMS contracts and/or requirements indicate otherwise.

The health plan will use the following criteria:

- The transferring facility will receive a calculated per diem rate based on the length of stay, not to exceed the amount that would have been paid if the member had not been discharged to another setting.
- The receiving facility will receive the full diagnosis-related group (DRG) payment.

The appropriate discharge status code must be used on the transferring claim to indicate that the member was transferred from one acute care facility to another.

Related Coding

Standard correct coding applies.

Definitions

General Reimbursement Policy Definitions

Related Policies and Materials

- Documentation Standards for Episodes of Care
- Inpatient Readmissions
- Provider Preventable Conditions

References and Research Materials

This policy has been developed through consideration of the following:

- CMS
- State contract
- State Medicaid

Policy History

- **08/18/2025** - Review approved: no changes
- **07/07/2023** - Review approved: no changes
- **10/13/2021** - Review approved
- **09/30/2019** - Review approved: policy template updated
- **06/05/2017** - Review approved: policy template updated
- **11/09/2015** - Initial approval 11/09/2015 and effective 01/01/2017

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 Procedural 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.
- Adjust the reimbursement to reflect the appropriate services and/or procedures performed.

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 these policies when necessary. When there is an update, we will publish the most current policy to the website.

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