

ND Medicaid Policy – Revenue Code 278

Revenue Code 278: Medical/Surgical Supplies: Other implants

Effective Date: January 1, 2013

- Code indicates charges for supply items required for patient care
- Revenue code 278 always requires a valid HCPCS on outpatient claims

Inpatient Hospital Claims

- This policy applies to all hospitals reimbursed on a cost-to-charge ratio for inpatient services.
- Billed charges over \$15,000.00 for revenue code 278 will require a vendor's invoice to support supplies used that correspond to the services rendered.
- The units billed for the revenue code 278 must match the invoice – these units must be clearly indicated on the vendor invoices submitted with the claim. If the units do not match or are not noted, the revenue code 278 will be denied as a contractual obligation to the provider. If supplies are purchased by the provider in bulk, the units that apply to the claim billed must be noted on the invoice or the revenue code 278 will be denied as a contractual obligation to the provider.
- If vendor invoices support the payment of the revenue code 278, claims will be reimbursed at invoice price plus 20 percent.
- Hospitals reimbursed on a cost to charge ratio, must submit vendor invoices with the initial submission of the revenue code 278. Without vendor invoices the revenue code 278 will be denied as a contractual obligation to the provider.
- Charges billed under \$15,000.00 for revenue code 278 will be audited randomly on post payment review.

Outpatient Hospital Claims

- This policy applies to all hospitals reimbursed on a cost-to-charge ratio for outpatient services.
- Billed charges over \$3,000.00 for revenue code 278 will require a vendor's invoice to support supplies used that correspond to the services rendered.
- The units billed for the revenue code 278 must match the invoice – these units must be clearly indicated on the vendor invoices submitted with the claim. If the units do not match or are not noted, the revenue code 278 will be denied as a contractual obligation to the provider. If supplies are purchased by the provider in bulk, the units that apply to the claim billed must be noted on the invoice or the revenue code 278 will be denied as a contractual obligation to the provider.
- If vendor invoices support the payment of the revenue code 278, claims will be reimbursed at invoice price plus 20 percent.
- If no HCPCS code is appended to revenue code 278, it will be denied as a contractual obligation to the provider.