



State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

April 12, 2013

N.L.: 02-0413
Supersedes N.L.: 04-0511
Index: Authorizations

TO: ALL COUNTY CALIFORNIA CHILDREN'S SERVICES (CCS)
PROGRAM ADMINISTRATORS, MEDICAL CONSULTANTS, AND
STATE CHILDREN'S MEDICAL SERVICES (CMS) STAFF

SUBJECT: NEONATAL INTENSIVE CARE UNIT (NICU) AUTHORIZATIONS

I. BACKGROUND

This Numbered Letter (N.L.) provides updated guidance on authorizations of:

- Care in a CCS Approved NICU
- Surgery in a CCS Approved NICU
- Stabilization, Transfer and Transport of a neonate

This letter should be used in conjunction with N.L.: 05-0502 concerning NICU medical eligibility.

II. POLICY

The following policy is effective the date of this letter.

A. Care in a CCS Approved NICU

1. An infant with a CCS eligible medical condition (Title 22, California Code of Regulations [CCR], Sections 41515.1-41518.9) shall have the hospital days authorized under the following conditions:
 - a. NICU care is medically necessary because of the CCS eligible condition (N.L.: 05-0502, Section II.A.1.);
 - b. The client meets residential and financial eligibility criteria.

An infant meeting the eligibility criteria identified in N.L.: 05-0502, Section II.A.2.a. or II.A.2.b. shall have the hospital days authorized if the infant is also residentially and financially eligible for the program.

B. Surgery for a CCS client in a CCS approved NICU

CCS shall authorize any medically necessary surgical procedure when each of all of the following are met:

1. Surgery is related to a CCS-eligible condition;
2. Surgery is performed by a CCS approved surgeon;
3. Surgery is performed in a CCS approved Regional NICU or in a CCS approved Community NICU that has approval for neonatal surgery;
4. Following surgery, an infant shall not be transferred to a CCS approved NICU that is not CCS approved for surgery for at least six post-operative days. No authorizations shall be issued for the six post-operative days at an NICU not CCS approved for surgery;
5. On the seventh post-operative day, the infant may be transferred to a CCS approved NICU that is not CCS approved for surgery if:
 - a. The infant is deemed stable for transfer by the NICU Medical Director, and
 - b. The treating surgeon concurs with the transfer.

If these two criteria are met, authorizations shall be issued to the CCS approved NICU that is not CCS approved for surgery beginning on the seventh post-operative day, as long as medical eligibility criteria are met (N.L.: 05-0502, Section II.A.2.a. or Section II.A.2.b.).

6. CCS shall authorize the following interventions when performed on a stable infant who is receiving care in a CCS approved Community NICU that does not have approval for neonatal surgery:
 - a. Placement of vascular access lines for infusions and/or monitoring, or superficial biopsies,
 - b. Laser treatment for threshold retinopathy of prematurity when performed by a CCS-paneled ophthalmologist, with patient sedation under the close supervision of a CCS-paneled neonatologist and no general anesthesia is used.

7. Except for 6.a and b above, CCS shall not authorize providers when surgical procedures are performed in a CCS approved Community NICU that is not approved for neonatal surgery.
 - a. No authorization shall be issued to the hospital to cover the day of surgery and the six subsequent inpatient days,
 - b. No authorization shall be issued to the surgeon for the surgical procedure nor to any other physician providing care for the entire seven-day period
 - c. Authorizations shall resume after the seven-day period if:
 - (1) CCS residential and financial eligibility requirements are met, and
 - (2) Continued NICU hospitalization is medically necessary for a CCS eligible medical condition (N.L.: 05-0502, Section II.A.1.) or
 - (3) NICU eligibility criteria are met (N.L.: 05-0502, Section II.A.2.a. or Section II.A.2.b.) and the CCS approved NICU is also approved for the level of care the infant requires.

C. Stabilization, Transfer and Transport of a CCS Eligible NICU Patient

1. When birth is in a Non-CCS Approved NICU
 - a. Authorization (prior to transfer) shall be issued to the hospital of birth for the stabilization of an infant delivered in a hospital without a CCS approved NICU.
 - b. Authorization shall be issued to the physician stabilizing the infant, if the physician is CCS paneled.
 - c. The authorization to the non-CCS approved hospital of birth shall not exceed two days unless there are extenuating circumstances (e.g., weather prohibitive of transporting the baby) as determined by the County Medical Consultant after consultation with the State Medical Consultant on a case-by-case basis.

2. When neonate is transferred to CCS Approved NICU
 - a. Authorization shall be issued to the NICU receiving the infant if:
 - (1) The infant meets the eligibility criteria of N.L.: 05-0502, Section II.A.1., or Section II.A.2.a. or Section II.A.2.b.
 - (2) The infant's CCS residential and financial eligibility requirements are met.
 - (3) The NICU is CCS approved for the appropriate level of care for the infant.
3. CCS Program Standards for Transfer from Intermediate NICU, Chapter 3.25.3
 - a. A neonate in an Intermediate NICU who is receiving mechanical ventilation through either tracheal or nasal tubes (e.g. nasal IMV) shall be transferred to a Community or Regional NICU within the first 4 hours of initiating the care; such transfer may occur within the first 24 hours of initiating the care if all the following apply:
 - (1) ≥ 32 weeks gestation and weighing $\geq 1500\text{g}$ with problems that are expected to resolve rapidly and are not anticipated to need subspecialty services on an urgent basis.
 - (2) Inspired oxygen concentration (FIO₂) needed to obtain normal arterial oxygen saturation is ≤ 0.30 ; FIO₂ is not increasing; and blood pressure is normal and stable.
 - (3) No evidence of structural abnormality on physical exam and chest X-ray.
 - (4) Blood gas pH ≥ 7.25 ; pCO₂ ≤ 50 mm Hg.
 - (5) If surfactant was administered: subsequent FIO₂ remains ≤ 0.25 , NCPAP ≤ 5 cm. H₂O, and average respiratory rate ≤ 60 breaths / minute.
 - (6) A CCS-paneled neonatologist is the primary medical provider for the duration of the specified positive pressure respiratory support.

- b. A neonate who is receiving nasal continuous positive airway pressure (NCPAP) or nasal cannula ≥ 2 Lpm flow, shall be transferred to a Community or Regional NICU within the first 24 hours of initiating the care, unless all the following apply:
 - (1) ≥ 32 weeks gestation and weighing ≥ 1500 g with problems that are expected to resolve rapidly and are not anticipated to need subspecialty services on an urgent basis,
 - (2) No evidence of structural abnormality on physical exam and chest X-ray,
 - (3) If surfactant was administered: subsequent FIO₂ remains ≤ 0.25 , NCPAP ≤ 5 cm. H₂O, and average respiratory rate ≤ 60 breaths / minute,
 - (4) A CCS-paneled neonatologist is the primary medical provider for the duration of the specified positive pressure respiratory support.
 - c. For an infant in an Intermediate NICU who continues to receive NCPAP or ≥ 2 Lpm flow via nasal cannula beyond 48 hours after initiation of such support, transfer to a Community or Regional NICU must have occurred by 72 hours after initiation of support.
4. An authorization to cover the actual transport of an infant shall also be issued when one of the following conditions is met:
- a. The infant who is CCS medically eligible is receiving care in a CCS approved NICU and now requires a higher level of care in an NICU that is CCS approved for the higher level of care.
 - b. The infant who is CCS medically eligible requires a surgical procedure at a CCS NICU approved for neonatal surgery.
 - c. The infant who is CCS medically eligible can be cared for at another CCS approved NICU providing a lower level of care and which is closer to the home of the infant.

- d. The infant is receiving care in a nursery that is not CCS approved and is Being transferred to a CCS approved NICU.

Note: Other transport scenarios shall be referred for review to the County Medical Consultant and/or the State Medical Consultant.

III. POLICY IMPLEMENTATION

A. Authorization of Care in a CCS Approved NICU

1. Upon determination that the infant meets the medical eligibility criteria in N.L.: 05-0502, Sections II.A.1., II.A.2.a. or II.A.2.b., authorizations shall be issued for the infant who requires hospitalization in a CCS approved NICU as long as CCS residential and financial eligibility requirements are met.
 - a. An authorization for the care provided by the physicians during the NICU stay shall be issued to the NICU Special Care Center (SCC) Directory Number for the Service Code Group (SCG) 02.

Note: If individual procedure codes not in SCG 02 are requested, these codes can be authorized to the physician providing the service.
 - b. An authorization shall be issued to the hospital facility for the approved medically necessary hospital days.
2. The authorizations shall be issued and modified as needed for the duration of the medically necessary hospitalization (N.L.: 05-0502, Section II.A.).
3. If services were denied because the NICU was not approved for the level of care the infant required and the infant remains in the NICU, services may be authorized when the need for the higher level of care diminishes and:
 - a. The infant meets the criteria for NICU eligibility (N.L.: 05-0502, Section II.A.2.a. or Section II.A.2.b.);
 - b. The infant meets CCS residential and financial eligibility requirements; and
 - c. The NICU is approved for the level of care the infant now needs.

4. When the service(s) identified in N.L.: 05-0502, Section II.A.2.a. or II.A.2.b. is (are) no longer required, and the infant is determined to have a CCS eligible medical condition that requires ongoing hospitalization, the authorizations for the infant shall continue to be issued (as described in III.A.1.a.) for as long as hospitalization is medically necessary for the treatment of the eligible condition, and residential and financial eligibility are met.

B. Authorization of Surgeons and Specialty Physician Consultants, and Follow-up Care

1. Authorizations to a CCS Paneled Surgeon:
 - a. A separate authorization must be issued for the surgical procedure(s) performed while an infant is in a CCS approved NICU.
 - b. A separate authorization for SCG 01 will need to be issued at the time the infant is discharged from the NICU, if:
 - (1) The infant is medically eligible for CCS at discharge and continues to require follow-up by the surgeon;
 - (2) The infant is not authorized to a SCC with the surgeon identified as a team member; and
 - (3) CCS residential and financial eligibility requirements are met.
2. The CCS paneled specialty physician consultants providing services while the infant is in the NICU do not require separate authorizations. These physicians can bill using the NICU SCC SAR.
3. CCS paneled specialty physicians who will follow a CCS client after discharge will require a separate SCG 01 authorization at the time of the infant's discharge if the infant's follow-up care will not be at a CCS approved SCC and if the infant:
 - a. Is medically eligible at the time of discharge and requires ongoing medical care by the CCS paneled specialty physician; and
 - b. Continues to meet CCS program eligibility requirements.
4. Outpatient SCCs where the infant will be seen after discharge will require a separate authorization for SCG 02 issued to the SCC directory number at the time of the infant's discharge from the hospital if the infant:

- a. Is medically eligible at the time of discharge and requires ongoing medical care by the CCS SCC; and
 - b. Continues to meet CCS program eligibility requirements.
- C. Authorization of Care After Delivery at a Hospital Without a CCS Approved NICU:
1. If the hospital is not a CCS approved hospital, the authorization can be issued using override authority
 2. If the physician is not CCS paneled, an SCG 01 authorization can be issued to the outpatient hospital provider number with the hospital as the referring provider.
- D. Authorization of an Infant Transport:
1. Air or ground ambulance providers shall be authorized for provision of emergency transportation based on the documentation from NICU reports of the necessity for emergency transport, and the alignment of transport date with admission to a CCS approved NICU (reference Chapter 1.4.6.D.1. and 1.4.6.D.2.).
 2. Air or ground ambulance providers shall be authorized for the date of non-emergency transports when the CCS program authorizes the transfer and admission to the receiving hospital and/or one of the situations identified in Section II.C.4. of this N.L. is met.

If you have any questions regarding this Numbered Letter, please contact Dr. Joseph Schulman at Joseph.Schulman@dhcs.ca.gov in Sacramento.

Sincerely,

ORIGINAL SIGNED BY ROBERT DIMAND

Robert J. Dimand, M.D.
Chief Medical Officer
California Children's Services