



MEDICAL COVERAGE POLICY

SERVICE: NICU Level of Care

Policy Number:	250
Effective Date:	12/01/2021
Last Review:	10/28/2021
Next Review Date:	10/28/2022

Important note

Even though this policy may indicate that a particular service or supply may be considered covered, this conclusion is not based upon the terms of your particular benefit plan. Each benefit plan contains its own specific provisions for coverage and exclusions. Not all benefits that are determined to be medically necessary will be covered benefits under the terms of your benefit plan. You need to consult the Evidence of Coverage to determine if there are any exclusions or other benefit limitations applicable to this service or supply. If there is a discrepancy between this policy and your plan of benefits, the provisions of your benefits plan will govern. However, applicable state mandates will take precedence with respect to fully insured plans and self-funded non-ERISA (e.g., government, school boards, church) plans. Unless otherwise specifically excluded, Federal mandates will apply to all plans. With respect to Senior Care members, this policy will apply unless Medicare policies extend coverage beyond this Medical Policy & Criteria Statement. Senior Care policies will only apply to benefits paid for under Medicare rules, and not to any other health benefit plan benefits. CMS's Coverage Issues Manual can be found on the CMS website.

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PRIOR AUTHORIZATION: Not applicable

POLICY: The Neonatal Intensive Care Unit (NICU) is a critical care unit for neonates who need specialized care. Most infants admitted to the NICU are premature. Some infants born at term have medical conditions that require specialized NICU care.

The NICU levels of care are based on the complexity of care that a newborn with specified diagnoses and symptoms requires. Each of the four levels of care are represented by a unique revenue code: Level 1=0171, Level 2=0172, Level 3=0173 and Level 4=0174. This policy provides guidelines for determining the medically appropriate level of care based on available documentation. Any inpatient NICU revenue codes not billed as levels 1-4 will be adjudicated as a level 1.

NICU admissions will be reviewed in order to ensure that services are of an appropriate duration and level of care to promote optimal health outcomes in the most efficient manner. Clinical documentation of an ongoing NICU hospitalization will be reviewed concurrently to substantiate level of care with continued authorization based on the documentation submitted and aligning with the guidelines set forth in this policy. Reimbursement for the NICU stay will be based on the authorized level of care and determined by the concurrent review process.

The guidelines set forth in this policy are based on guidelines published on the internet from various sources.

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NICU Level	Rev Code	Minimum Criteria for NICU level of Care
Level 1	0171	<p>Level 1 neonatal care may be indicated for a newborn or neonate with ALL of the following:</p> <ul style="list-style-type: none"> ➤ Physiologically stable (e.g. no apnea, bradycardia, or unstable temperature) ➤ In need of care consisting of one or more of the following: <ul style="list-style-type: none"> ➤ Routine newborn care ➤ Evaluation and care of neonates with conditions that require inpatient services available at Level I ➤ Continued inpatient care during convalescence from condition(s) treated in Level II, III or IV while awaiting resolution of specific issues, e.g.: <ul style="list-style-type: none"> ✓ Sustained weight gain ✓ Establishment of safe discharge destination and plan ➤ Uncomplicated jaundice treated only with phototherapy and requiring bilirubin checks while inpatient at intervals of greater than 6 hours
Level 2	0172	<p>Level 2 neonatal care may be indicated for one or more of the following:</p> <ul style="list-style-type: none"> • Use of oxygen via hood ($\leq 40\%$), nasal cannula oxygen, HFNC ($\leq 2L/min$), with other co-morbidities stable • Administration of intravenous (IV) medications • Weaning from nasogastric (NG) or naso-jejunal (NJ) tube feedings while attempting to increase oral intake • Apnea, bradycardia or desaturation, but with rare episodes requiring stimulation, or only self-limited episodes; OR: <ul style="list-style-type: none"> ➤ apnea "countdown" OR ➤ weaning caffeine • Services for neonatal abstinence syndrome (NAS) requiring medication (weaning) when the Finnegan score is 8 or less • Monitoring of jaundice during phototherapy with bilirubin levels at intervals of less than 6 hours. • Temperature control system, e.g., incubator, radiant warmer, in otherwise stable infant. • Evaluation for sepsis NOT toxic appearing but on antibiotics • Clinically stable infections completing course of IV medications • Continued inpatient care during convalescence from condition(s) treated in Level III care



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Level 3	0173	<p>Level 3 neonatal care includes Level 2 requirements AND ONE or more of the following:</p> <ul style="list-style-type: none"> • Respiratory support using one of the following: <ul style="list-style-type: none"> ➢ HFNC with > 2 L/minute of blended oxygen ➢ continuous positive airway pressure (CPAP) ➢ conventional ventilation ➢ high-frequency ventilation long-term (> one week) • Presence of chest tubes or UAC. • Active apnea/bradycardic episodes requiring PPV • Suspected or proven sepsis during acute phase or with toxic appearance • Persistent hypoglycemia (glucose <30 mg/dl) • Hyperbilirubinemia with other findings requiring intervention; e.g., dehydration requiring IV fluids, hemolysis AND transfusions needed, etc. • TPN or IV fluids alone or to supplement inadequate oral intake (NG or PO) • NAS requiring medication and having one or more of the following: <ul style="list-style-type: none"> ➢ three consecutive Finnegan scores greater than or equal to 8, OR ➢ two consecutive Finnegan scores greater than or equal to 12 • Neonatal surgery for non-critical conditions, e.g., hernia repair, diverting ostomy, eye procedures, PDA ligation, etc. • Pediatric subspecialty care of severe disorder or complication
Level 4	0174	<p>Level 4 neonatal care includes Level 3 requirements and ONE or more of the following clinical interventions:</p> <ul style="list-style-type: none"> • Perioperative care following surgical repair of severe neonatal conditions, for example: <ul style="list-style-type: none"> ➢ bowel resection for necrotizing enterocolitis (NEC) ➢ tracheoesophageal fistula or esophageal atresia repair ➢ cardiac surgery excluding PDA ligation ➢ myelomeningocele closure (up to 48 hours post-op) ➢ organ transplant • Inhaled medically necessary nitric oxide (iNO) • Extracorporeal membrane oxygenation (ECMO) • High frequency oscillatory or jet ventilation (initial week) • Therapeutic cooling • Exchange transfusion (day of procedure) • Uncontrolled seizures

CODES:

Important note:

CODES: Due to the wide range of applicable diagnosis codes and potential changes to codes, an inclusive list may not be presented, but the following codes may apply. Inclusion of a code in this section does not guarantee that it will be reimbursed, and patient must meet the criteria set forth in the policy language.

CPT Codes:	
CPT Not Covered:	
ICD10 codes:	
ICD10 Not covered:	

POLICY HISTORY:

Status	Date	Action
New	07/03/2018	New policy



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Update	09/25/2018	Clarified level for non-critical surgery
Update	10/30/2018	Removed requirement for warming device for Level 3
Update	11/27/2018	Explained that Level 2 sepsis eval requires antibiotics.
Update	02/26/2019	Removed UVC criterion from Level 3
Review	02/27/2020	No significant changes
Review	10/24/2020	Clarified language on several criteria
Review	10/28/2021	No changes

REFERENCES:

The following scientific references were utilized in the formulation of this medical policy. SWHP will continue to review clinical evidence related to this policy and may modify it at a later date based upon the evolution of the published clinical evidence. Should additional scientific studies become available and they are not included in the list, please forward the reference(s) to SWHP so the information can be reviewed by the Medical Coverage Policy Committee (MCPC) and the Quality Improvement Committee (QIC) to determine if a modification of the policy is in order.