

## Free Standing Birth Center

Policy Number: SC14P000&A6

Effective Date: October 12, 2014

Last Update: June 8, 2023

### PAYMENT POLICY HISTORY

Date	Summary of Change
June 8, 2023	Annual review completed. Formatting and grammar updates applied.
October 21, 2022	Annual review completed. Policy was updated to demonstrate clearer billing parameters and align more with DHS policy.
November 23, 2021	Effective 11/2/2021, providers can no longer bill prolonged service codes when a patient is transferred to the hospital before delivery. Providers may continue to bill an Evaluation and Management service.
August 31, 2021	Annual review completed. The policy was updated to indicate separate payment and billing of nursery services (Effective 9/10/2020). Grammatical and typographical errors were corrected.
July 6, 2020	Annual review completed. The Free Standing Birth Center policy was moved to an updated UCare template. No other changes were made to the policy.
May 15, 2019	Annual review completed. Corrections to the CPT codes for prolonged services were made to the CPT / HCPCS section of this Policy. CPT code 99355 was inadvertently excluded from the list of eligible services.
August 23, 2018	Annual review completed. Information regarding UCare fee schedule updates added to the Payment and Billing section of this policy.
October 2014	Free Standing Birthing Centers Policy published by UCare.

### APPLICABLE PRODUCTS

This policy applies to the products listed below:

UCARE PRODUCT	APPLIES TO
UCare MinnesotaCare	✓
UCare Prepaid Medical Assistance (PMAP)	✓
UCare Connect	✓

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**PAYMENT POLICY INSTRUCTIONS**

A payment policy assists in determining provider reimbursement for specific covered services. To receive payment, the provider must be in a contractual relationship with UCare and provide services to a member enrolled in one of UCare’s products. This payment policy is intended to provide a foundation for system configuration, work instructions, call scripts, and provider communications. A payment policy describes the rules for payment, which include applicable fee schedules, additional payment rules by regulatory bodies, and contractual terms. This policy is a general guideline and may be superseded by specific provider contract language.

**PAYMENT POLICY OVERVIEW**

For the products listed above, UCare covers low-risk pregnancy and low-risk delivery services provided in a licensed free-standing birth center if a licensed health professional provides the service. A free-standing birth center is not a hospital or licensed as part of a hospital. All free-standing birth centers must be accredited by the [Commission for the Accreditation of Birth Centers \(CABC\)](#). The [Minnesota Department of Health \(MDH\)](#) issues licenses for free-standing birth centers.

**POLICY DEFINITIONS**

TERM	NARRATIVE DESCRIPTION
Birth Center	Means a facility licensed for the primary purpose of performing low-risk deliveries that is not hospital or licensed as part of a hospital and where births are planned to occur away from the mother’s usual residence following a low-risk-pregnancy.
Low Risk Pregnancy	Means a normal, uncomplicated prenatal course as determined by documentation of adequate prenatal care and the anticipation of a normal, uncomplicated labor and birth, as defined by reasonable and generally accepted criteria adopted by professional groups for maternal, fetal, and neonatal health care.
Certified Nurse Midwife	A Certified Nurse-Midwife ("CNM") is an advanced practice registered nurse who has specialized education and training in both nursing and midwifery. Certified Nurse-Midwives in most states are required to possess a minimum of a graduate degree such as the Master of Science in Nursing or Post-Master's Certificate. By 2010, all Certified Nurse Midwives will be required to hold a graduate (Masters) degree. Most recently, the first Doctor of Nursing Practice (DNP) program has become available for Certified Nurse-Midwives and will graduate its first class in

TERM	NARRATIVE DESCRIPTION
	May 2010. Additionally, Certified Nurse Midwives must also hold an active Registered Nurse license in the state in which they practice.
Traditional Midwife	Traditional midwifery services mean the assessment and care of a woman and newborn during pregnancy, labor, birth, and the postpartum period outside the hospital. A traditional midwife will have a university, college or other education program leading to eligibility for certification in midwifery that is approved by the Midwifery Education and Accreditation Council (MEAC) or its successor, or a national accrediting organization recommended by the advisory council and approved by the board of medical practice.
Physician	A person who is licensed to provide health services within the scope of his or her profession under <a href="#">Minnesota Statutes, 147</a>

**ENROLLEE ELIGIBILITY CRITERIA**

**THIS SECTION OF THE POLICY PROVIDES INFORMATION THAT IS SPECIFIC TO THE UCARE MEMBER, INCLUDING INFORMATION ABOUT THE CRITERIA THE MEMBER MUST MEET IN ORDER FOR THE SERVICE(S) IN THE POLICY TO BE ELIGIBLE FOR PAYMENT**

The patient must be actively enrolled in PMAP, Connect, or MinnesotaCare products.

**ELIGIBLE PROVIDERS OR FACILITIES**

**OUTLINED BELOW IS THE SPECIFIC CRITERIA A PROVIDER MUST MEET IN ORDER FOR THE SERVICE(S) IN THIS POLICY TO BE ELIGIBLE FOR PAYMENT.**

**Provider**

UCare reimburses free-standing birth center services when performed by the following eligible providers:

- Physician
- Certified nurse midwives (CNM) licensed by the Minnesota Board of Nurses
- Certified traditional midwives (CPM) licensed by the Minnesota Board of Medical Practice

**Facility**

A licensed free-standing birth center may only render care or services permitted within the scope of the issued license or accreditation. All free-standing birth centers must be accredited by the [Commission for the Accreditation of Birth Centers \(CABC\)](#). The Minnesota Department of Health (MDH) issues licenses for free-standing birth centers.

**Other and/or Additional Information**

Not applicable.

**EXCLUDED PROVIDER TYPES**

**OUTLINED BELOW IS INFORMATION REGARDING PROVIDERS WHO ARE NOT ELIGIBLE TO FURNISH THE SERVICE(S) LISTED IN THIS POLICY.**

Not applicable.

**MODIFIERS, CPT, HCPCS, AND REVENUE CODES****General Information**

The Current Procedural Terminology (CPT®) HCPCS, and Revenue codes listed in this policy are for reference purposes only. Including information in this policy does not imply that the service described by a code is a covered or non-covered health service. The inclusion of a code does not imply any right to reimbursement or guarantee of claim payment.

**Modifiers**

There are no required modifiers associated with free-standing birth center services.

**Bill facility services on the 837I, as follows:**

- Type of bill is 084x
- Revenue code is 0724
  - Use code 59400 for delivery in the birth center
  - Use code S4005 for transfers to a hospital

**Bill professional services on 837P, as follows:**

- Use CPT 59400 for the global OB package (prenatal, vaginal delivery, and postpartum care)
- If a member is transferred to the hospital before delivery, bill for all professional services provided to the member in the birth center before transfer.
  - When less than the entire OB-global package is performed, bill the appropriate code to identify the services performed.

## **PAYMENT INFORMATION**

### **Covered Services**

Covered services includes all the following:

- Prenatal visits;
- Routine lab services;
- Ultrasound;
- Low-risk labor and delivery;
- First postpartum visit;
- Newborn care services;
- Labor care prior to a hospital transfer

### **Service Limitations**

The following limitations apply to the services performed at a free-standing birth center:

- Surgical procedures must be limited to those normally provided during an uncomplicated birth, including episiotomy and repair.
- No general or regional anesthesia may be administered. Local anesthesia may be administered when performed within the scope of practice of the health care provider.
- Nursery charges will not be reimbursed separately.
- Ultrasounds for Zika virus will be covered if a positive diagnosis is determined from a blood test.
- If the member is transferred to a hospital for emergency delivery, coverage provided for appropriate Evaluation and Management visit.

### **Non-Covered Services**

- The following services are not covered by UCare:
  - Abortion services
  - Services provided by an unlicensed traditional midwife
  - Home births, including:
    - Travel time
    - Facility charges for professional services
  - General or regional anesthesia

### **Payment – Professional**

- Professional services provided in a free-standing birthing center are paid at the lower of billed charges or 100% of the rate paid to a physician performing the same services.
- If the patient is transferred to the hospital before delivery, eligible professionals may bill an Evaluation and Management (E &M) service and appropriate prolonged services.



### Fee Schedule Updates

Information regarding the UCare fee schedules and updates can be found in the [UCare Provider Manual](#), under Fee Schedule Updates.

### Facility Payment

Facility payment for an uncomplicated vaginal delivery provided by a birth center will be paid at the lower of billed charges or 70 percent (70%) of the statewide average for a facility payment rate using the most recent calendar year for which complete claims data is available.

If the patient is transferred to a hospital before the delivery, facility services are paid at the lower of billed charges or fifteen percent (15%) of the statewide average for hospital payment using the most recent calendar year for which complete claims data is available.

Nursery care services provided by a birth center will be paid the lower of billed charges or 70 percent of the statewide average for a payment rate paid to a hospital for nursery care as determined by using the most recent calendar year for which complete claims data is available.

## BILLING INFORMATION

### Professional Services

- Eligible professional services should be submitted using the electronic 837-P format.
- Report the appropriate CPT/ HCPCS codes for services provided. You may bill the global CPT 59400 or the components of care (prenatal, delivery, postpartum care), but you cannot bill both.
- If a member is transferred to the hospital before delivery, bill for all professional services, including any Evaluation and Management service provided to the member in the birth center before transfer.

### Facility Services

- Eligible facility services should be submitted using the electronic 837-I format.
- Type of bill is 084x
- Submit revenue code 0724 (Birthing Center) with CPT code 59400 when billing global delivery facility charges.
- Submit revenue Code 0724 (Birthing Center) with HCPCS code S4005 (Interim labor facility global - labor occurring but not resulting in delivery) when labor does not result in delivery (i.e., the patient is transferred to the hospital prior to delivery).

**PRIOR AUTHORIZATION, NOTIFICATION AND THRESHOLD INFORMATION**

**Prior Authorization and Notification Requirements**

UCare does update its' authorization, notification, and threshold requirements from time-to-time. The most current prior authorization requirements can be found [here](#).

**RELATED PAYMENT POLICY INFORMATION  
OUTLINED BELOW ARE OTHER POLICIES THAT MAY RELATE TO THIS POLICY AND/OR  
MAY HAVE AN IMPACT ON THIS POLICY.**

POLICY NUMBER	POLICY TITLE

UCare payment policies are updated from time to time. The most current UCare payment policies can be found [here](#).

**SOURCE DOCUMENTS AND REGULATORY REFENCES  
LISTED BELOW ARE LINKS TO CMS, MHCP, AND STATUTORY AND REGULATORY  
REFERENCES USED TO CREATE THIS POLICY**

[MHCP Provider Manual, Reproductive Health / OB-Gyn, Free Standing Birth Centers](#)

[Minnesota Statutes 256B.0625](#), subdivision 54 (Services provided in Birth Centers)

[Minnesota Statutes 147D](#) (Traditional Midwives)

[Minnesota Statutes 144.615](#) (Birth Centers)

**DISCLAIMER**

“Payment Policies assist in administering payment for UCare benefits under UCare’s health benefit plans. Payment Policies are intended to serve only as a general reference resource regarding UCare’s administration of health benefits and are not intended to address all issues related to payment for health care services provided to UCare members. When submitting claims, all providers must first identify member eligibility, federal and state legislation, or regulatory guidance regarding claims submission, UCare provider participation agreement contract terms, and the member-specific Evidence of Coverage (EOC) or other benefit document. In the event of a conflict, these sources supersede the Payment Policies. Payment Policies are provided for informational purposes and do not constitute coding or compliance advice. Providers are responsible for submission of accurate and compliant claims. In addition to Payment Policies, UCare also uses tools developed by third parties, such as the Current Procedural Terminology (CPT®\*), InterQual guidelines, Centers for Medicare and Medicaid Services (CMS), the Minnesota Department of Human Services (DHS), or other coding guidelines, to assist in administering health benefits. References to CPT® or other sources in UCare Payment Policies are for definitional purposes only and do not imply any right to payment. Other UCare Policies and Coverage Determination Guidelines may also apply. UCare reserves the right, in its sole discretion, to modify its Policies and Guidelines as necessary and to administer payments in a manner other than as described by UCare Payment Policies when necessitated by operational considerations.”