



Payment Policy 42 Early Elective Delivery

Purpose

This policy is intended to ensure correct provider reimbursement and serves only as a general resource regarding Molina Healthcare's reimbursement policy for the services described in this policy. It is not intended to address every aspect of a reimbursement situation, nor is it intended to impact care decisions. This policy was developed using nationally accepted industry standards and coding principles. In a conflict, federal and state guidelines, as applicable, and the member's benefit plan document supersede the information in this policy. Also, to the extent of conflicts between this policy and the provider contract language, the Provider contract language will prevail. Coverage may be mandated by applicable legal requirements of a State, the Federal government or the Centers for Medicare and Medicaid Services (CMS). References included were accurate at the time of policy approval.

Policy Overview

Providers are required to code claims to indicate gestational age allowing Passport by Molina Healthcare, Inc. to identify Early Elective Delivery (EED) claims and apply applicable claim coding edits as needed.

Inductions or cesarean sections performed on or prior to 39 completed weeks gestation without medical necessity are considered early elective deliveries and not covered by Passport by Molina Healthcare. The American College of Obstetricians and Gynecologists (ACOG) indicates these procedures present considerable health risks to both the mother and the baby, leading to potential admissions to the Neonatal Intensive Care Unit (NICU), extended hospital stays, and increased costs for patients and healthcare providers.

Reimbursement Guidelines

Passport By Molina Healthcare will not reimburse for professional or hospital, as well as clinic claims, for non-medically indicated early elective deliveries (EEDs) with date of service on or after January 1, 2021.

Passport By Molina Healthcare requires providers to bill the appropriate weeks of gestation ICD-10 diagnosis code indicating gestational age at the time of delivery (ICD-10 CM category code Z3A). Claims that are not billed with the proper ICD-10 CM category code Z3A diagnosis code, indicating the week of gestation will be denied for payment. The submission of ICD-10 Diagnoses Category code Z3A that indicates less than 39 weeks' gestation must also be submitted with a medical necessary diagnosis code and the appropriate modifier if applicable or the claim will be denied. Passport By Molina Healthcare requires the reported diagnosis in box 24E points to the gestational age indicated in box 21.

Inpatient Facility Claims also requires the gestational weeks and/or medically necessary diagnosis code, DRG's and the appropriate condition codes to be considered for reimbursement.

Reimbursement for Early Elective Deliveries is contingent upon all MCG care guidelines being met, including necessary medical conditions, and clinical justification with the proper documentation for an early induction or cesarean. Induction/delivery claims submitted by facilities and physician claims that do not have approval for an early elective delivery will be denied. You may resubmit the claim with the appropriate supporting diagnosis code or appeal with medical records.

***Please note CMS 1500 Field Location 24E is a required field when submitting claims for this service. Box 24E is used to indicate the line letter from Box 21 that relates to the diagnosis or nature of illness or injury.**

Audit and Recovery Process:

- ✚ **Review:** Claims will be meticulously examined against Passport by Molina Healthcare's standards.
- ✚ **Discrepancy Identification:** Any inconsistencies or errors identified will be documented.
- ✚ **Recovery:** Overpayments due to inaccuracies will be recovered either by offsetting from future payments or through direct refund requests.
- ✚ **Appeals:** Providers reserve the right to contest any claim adjustments or denials. Details of the appeal process will accompany the notification.

Policy Monitoring, Review, and Updates:

- ✚ The policy will undergo annual reviews or as required, ensuring its alignment with industry best practices, regulatory mandates, and Passport by Molina Healthcare's operational necessities. Any updates will be promptly communicated to providers.

Supplemental Information

Definitions

Term	Definition
CMS	the Centers for Medicare & Medicaid Services. It is a federal agency within the United States Department of Health and Human Services that administers the Medicare program and works in partnership with state governments to administer Medicaid, the Children's Health Insurance Program (CHIP), and health insurance portability standards.
Early Elective Delivery (ACOG)	An induction or cesarean section performed prior to 39 completed weeks gestation without medical necessity. The American College of Obstetrics and Gynecology

Documentation History

Type	Date	Action
Effective Date	9/10/2023	
Revised Date	01/09/2024	Removed previous billing instructions referencing Gestational age/delivery code - field 19. Reworded policy for clarification.

Coding

CODING DISCLAIMER. Codes listed in this policy are for reference purposes only and may not be all-inclusive. Deleted codes and codes not effective when the service is rendered may not be eligible for reimbursement. Listing of a service or device code in this policy does guarantee coverage. Coverage is determined by the benefit document. Passport by Molina Healthcare adheres to Current Procedural Terminology (CPT®), a registered trademark of the American Medical Association (AMA). All CPT codes and descriptions are copyrighted by the AMA; this information is included for informational purposes only. Providers and facilities are expected to utilize industry standard coding practices for all submissions. When improper billing



and coding is not followed, Passport by Molina Healthcare has the right to reject/deny the claim and recover claim payment(s). Due to changing industry practices, Passport reserves the right to revise this policy as needed.

References

1. Early Elective Deliveries (EED) Prior to 39 Weeks Gestation
[PLEEDPolicyChangeAddendum082817Withattachment.pdf \(ky.gov\)](#)
2. ICD10 Data- 2024 [ICD-10-CM Codes Z3A*: Weeks of gestation \(icd10data.com\)](#)
3. ACOG- Avoidance [of Nonmedically Indicated Early-Term Deliveries and Associated Neonatal Morbidities | ACOG](#)

This policy is designed to provide guidance and is not a guarantee of payment. Healthcare providers should make medical necessity determinations based on the individual clinical circumstances of each patient.