



Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Robert R. Neall, Secretary

**MARYLAND MEDICAL ASSISTANCE PROGRAM**  
**Hospital Transmittal No.273**  
**February 3, 2020**

TO: Hospitals

FROM: Jill Spector, Director  
 Medical Benefits Management *Jill Spector*

RE: Updated Billing Guidelines for Routine Labor and Delivery Claims

**NOTE: Please ensure that appropriate staff members of your organization are informed of the content of this transmittal.**

The purpose of this transmittal is to update billing guidelines for routine vaginal delivery and cesarean section (C-Section) claims which do not require a 3808 or a review from the Maryland Department of Health's (Department) Utilization Control Agent (Telligen) for payment.

Previously, hospitals identified routine labor and delivery claims using Diagnostic Related Groups (DRG) that were programmed in the Maryland Medicaid Information System (MMIS). The Department became aware of ongoing payment issues caused by outdated DRG codes in MMIS, resulting in providers receiving inappropriate labor and delivery claim denials with an error code ("500") indicating an invalid or missing preauthorization number.

Effective February 1, 2020, the Department will implement a new process for billing labor and delivery claims that will correct this error. This process requires providers to submit a combination of diagnosis, procedure, and revenue codes when billing for routine labor and delivery claims. Claims submitted on or after February 1, 2020 must follow the new billing guidelines described below.

#### Billing Instructions

Please see the new process for billing in the table below. To receive payment for routine labor and delivery claims, all of the following conditions must be met.

**NOTE: DIAGNOSIS CODES MUST BE BILLED IN THE PRIMARY POSITION TO BYPASS THE 3808.**

	Mothers	Newborns
<u>2 days or less</u> (for vaginal delivery)	<p>The claim must include a diagnosis, procedure and revenue code:</p> <p>1) Diagnosis codes: Z37.0 – Z37.9; <b>AND</b></p> <p>2) Procedure codes: 10D07Z3 – 10D07Z8, 10E0XZZ; <b>AND</b></p> <p>3) Revenue codes: 0720 – 0722, 0729</p>	<p>The claim must include a diagnosis and revenue code:</p> <p>1) Diagnosis codes: Z38.0, Z38.1 – Z38.30, Z38.4 – Z38.61, Z38.63, Z38.65, Z38.68, Z38.7 – Z38.8; <b>AND</b></p> <p>2) Revenue codes: 0171, 0172, 0175, 0179, 0723</p>
<u>4 days or less</u> (for C-section delivery)	<p>The claim must include a diagnosis, procedure and revenue code:</p> <p>1) Diagnosis codes: Z37.0 – Z37.9; <b>AND</b></p> <p>2) Procedure codes: 10D00Z0 – 10D00Z2; <b>AND</b></p> <p>3) Revenue codes: 0720 – 0722, 0729</p>	<p>The claim must include a diagnosis and revenue code:</p> <p>1) Diagnosis codes: Z38.01, Z38.31, Z38.62, Z38.64, Z38.66, Z38.69; <b>AND</b></p> <p>2) Revenue codes: 0171, 0172, 0175, 0179, 0723</p>

For questions, please contact Denise James, Chief of the Division of Hospital Services, by email at [denise.james@maryland.gov](mailto:denise.james@maryland.gov) or by phone at 410-767-1939.