



November 1, 2018

Web Announcement 1730

Modernization: Attention Provider Type 12 (Hospital, Outpatient): HCPCS Observation Code G0378 Limitation

The Division of Health Care Financing and Policy (DHCFP) is implementing a new, modernized Medicaid Management Information System (MMIS) on February 1, 2019. In preparation for the new MMIS, system enhancements have been made that impact Healthcare Common Procedural Coding System (HCPCS) code G0378 (Hospital observation service, per hour). HCPCS code G0378 has a limitation of 24 hours per day or 48 hours per occurrence.

Per Medicaid Services Manual (MSM) Chapter 200 Hospital Services, Attachment A, B Policy, page 8: Observation services are reimbursed when ordered by a physician or other clinician authorized by State licensure law and hospital staff bylaws to order services, and at an hourly basis up to 48 continuous hours.