



DEPARTMENT OF SOCIAL SERVICES
DIVISION OF MEDICAL SERVICES
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RE: Admission Status for Hospital Inpatient and Outpatient Claims

Dear South Dakota Medical Assistance Providers:

The following guidance is provided regarding the facility's ability to change a patient admission status after the patient has been discharged by a physician.

The institutional billing manual has been updated to indicate the following:

Locator 4 Type of Bill (Mandatory)

Enter the code indicating the specific type of bill. The code must be determined within 24 hours of admission. The code may be updated as the patient meets the different criteria and cannot be changed once a physician has ordered discharge of the patient.

Please see the Institutional Billing Manual for a list of acceptable codes under the South Dakota Medical Assistance Program. The billing manual is available at <http://dss.sd.gov/sdmedx/includes/providers/billingmanuals/index.aspx>.

If a patient has been admitted under observation care and during the patient's stay it is determined that they meet the criteria for inpatient status, the patient's admission status should be changed accordingly. The same applies to a patient that is admitted to inpatient and it is later determined that they meet the criteria for observation care the admission status should be changed accordingly. However, if the discharge order has been written by a physician, the patient's status cannot be changed.

If you have any questions regarding this memorandum, please feel free to contact the Division of Medical Services at 605-773-3495.
