UnitedHealthcare® Commercial and Individual Exchange Reimbursement Policy CMS 1500 Policy Number 2024R0127C

# Procedure and Place of Service Policy, Professional

#### IMPORTANT NOTE ABOUT THIS REIMBURSEMENT POLICY

You are responsible for submission of accurate claims. This reimbursement policy is intended to ensure that you are reimbursed based on the code or codes that correctly describe the health care services provided. UnitedHealthcare reimbursement policies may use Current Procedural Terminology (CPT®\*), Centers for Medicare and Medicaid Services (CMS) or other coding guidelines. References to CPT or other sources are for definitional purposes only and do not imply any right to reimbursement.

This reimbursement policy applies to all health care services billed on CMS 1500 forms and, when specified, to those billed on UB04 forms. Coding methodology, industry-standard reimbursement logic, regulatory requirements, benefits design and other factors are considered in developing reimbursement policy.

This information is intended to serve only as a general reference resource regarding UnitedHealthcare's reimbursement policy for the services described and is not intended to address every aspect of a reimbursement situation. Accordingly, UnitedHealthcare may use reasonable discretion in interpreting and applying this policy to health care services provided in a particular case. Further, the policy does not address all issues related to reimbursement for health care services provided to UnitedHealthcare enrollees. Other factors affecting reimbursement may supplement, modify or, in some cases, supersede this policy. These factors may include, but are not limited to: legislative mandates, the physician or other provider contracts, the enrollee's benefit coverage documents and/or other reimbursement, medical or drug policies. Finally, this policy may not be implemented exactly the same way on the different electronic claims processing systems used by UnitedHealthcare due to programming or other constraints; however, UnitedHealthcare strives to minimize these variations. UnitedHealthcare may modify this reimbursement policy at any time by publishing a new version of the policy on this Website. However, the information presented in this policy is accurate and current as of the date of publication.

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### **Application**

This reimbursement policy applies to services reported using the 1500 Health Insurance Claim Form (a/k/a CMS-1500) or its electronic equivalent or its successor form. This policy applies to all products and all network and non-network physicians and other qualified health care professionals, including, but not limited to, non-network authorized and percent of charge contract physicians and other qualified health care professionals.

## **United Healthcare Commercial**

This Reimbursement Policy applies to all UnitedHealthcare Commercial benefit plans.

### UnitedHealthcare Individual Exchange

This Reimbursement Policy applies to all Individual Exchange benefit plans.

### **Policy**

#### Overview

The Procedure and Place of Service policy addresses the reimbursement of Current Procedural Terminology (CPT®) and Healthcare Common Procedure Coding System (HCPCS) codes that are reported in a place of service (POS) considered inappropriate based on the code's description or available coding guidelines when reported by a physician or other health care professional.

#### **Reimbursement Guidelines**

UnitedHealthcare will reimburse CPT and HCPCS codes when reported with an appropriate place of service (POS). UnitedHealthcare aligns with The Centers for Medicare & Medicaid Services (CMS) POS Code set, which are two-digit

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codes submitted on the CMS 1500 Health Insurance Claim Form or its electronic equivalent to indicate the setting in which a service was provided. The website containing the POS Code set can be accessed via this link:

CMS Place of Service Code Set

# **Code Description or Coding Guidelines**

Many CPT and HCPCS codes include a place of service (POS) in their description or in their coding guidelines which indicate the place(s) of service where the code may be performed. For example, CPT code 94002 (*Ventilation assist and management, initiation of pressure or volume preset ventilators for assisted or controlled breathing; hospital inpatient/observation, initial day*) would not be appropriate for reporting in an office or home POS because its code description identifies hospital inpatient or observation.

UnitedHealthcare has established a list of these CPT and HCPCS codes along with their appropriate places of service. Please refer to the list located in the Attachments section.

# **Non-Facility Indicator "NA"**

According to the CMS National Physician Fee Schedule Relative Value File, the Non-Facility Indicator identified as "NA" indicates that "this procedure is rarely or never performed in the non-facility setting." UnitedHealthcare will not reimburse CPT and HCPCS codes assigned the Non-Facility Indicator "NA" when reported without an appropriate POS. Please refer to the <u>Attachments</u> section for a link to the website containing the National Physician Fee Schedule Relative Value File.

Definitions	finitions	
Place of Service	A two-digit code used on health care professional claims to indicate the setting in which a service was provided.	

Questions and Answers			
	Q: Why aren't all CPT and HCPCS codes addressed in this policy?		
1	<b>A:</b> This policy addresses CPT and HCPCS codes that include a place of service (POS) in their description or in their coding guidelines and CPT and HCPCS codes assigned the Non-Facility Indicator "NA". Codes that do not fit these criteria, as well as mental health/substance abuse codes and codes addressed in other reimbursement policies, are out of scope for this reimbursement policy.		
	Q: Where do the Place of Service codes come from?		
2	A: The Place of Service codes can be found on the CMS website and contains two-digit codes placed on health care professional claims to indicate the setting in which a service was provided. The Centers for Medicare & Medicaid Services (CMS) maintains POS codes used throughout the health care industry.		

Attachments				
Procedure and Place of Service List	A list of codes that include a place of service in their description or coding guidelines or include the place(s) of service where the code may be performed.			
CMS National Physician Fee Schedule Relative Value File	A link to the CMS National Physician Fee Schedule Relative Value File which displays the CPT and HCPCS codes assigned the Non-Facility Indicator "NA". UnitedHealthcare will not reimburse these codes in a non-facility place of service.			



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# Resources

American Medical Association, Current Procedural Terminology (CPT®) and associated publications and services

Centers for Medicare and Medicaid Services, Healthcare Common Procedure Coding System, HCPCS Release and Code Sets

Centers for Medicare and Medicaid Services, Place of Service Code Set

Centers for Medicare and Medicaid Services, National Physician Fee Schedule (NPFS)

History		
4/1/2024	<ul> <li>Template Update</li> <li>Transferred content to shared policy template that applies to both UnitedHealthcare Commercial and Individual Exchange benefit plans.</li> <li>Updated Application section to indicate this Reimbursement Policy applies to:         <ul> <li>All UnitedHealthcare Commercial benefit plans</li> <li>All Individual Exchange benefit plans</li> </ul> </li> </ul>	
1/21/2024	Policy Version Change Attachments Section: Procedure and POS List Updated History Section: Entries prior to 1/21/2022 archived.	
1/1/2024	Policy Version Change Attachments Section: Procedure and POS List Updated	
9/10/2023	Policy Version Change Attachments Section: Procedure and POS List Updated History Section: Entries prior to 9/10/2021 archived.	
8/6/2023	Policy Version Change Logo Updated Attachments Section: Procedure and POS List Updated History section: Entries prior to 8/6/2021 archived	
3/12/2023	Policy Version Change Attachments Section: Procedure and POS List Updated	
2/19/2023	Policy Version Change Attachments Section: Procedure and POS List Updated	
1/15/2023	Policy Version Change Attachments Section: Procedure and POS List Updated History Section: Entries prior to 1/1/2020 archived.	
5/1/2022	Policy Version Change Attachments Section: Procedure and POS List Updated	
9/1/2015	Policy implemented by UnitedHealthcare Employer & Individual	
3/11/2015	Policy approved by the Payment Policy Oversight Committee	