# Hospital Outpatient Laboratory and Pathology Services Rebundling Policy

<table>
<thead>
<tr>
<th>Type</th>
<th>Hospital Reimbursement</th>
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<tbody>
<tr>
<td>Number</td>
<td>002</td>
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<tr>
<th>Approved by</th>
<th>Approval Date</th>
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<tbody>
<tr>
<td>National Reimbursement Forum</td>
<td>May 13, 2009</td>
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## Description

This policy describes reimbursement for hospital outpatient laboratory and pathology services reimbursed according to the UnitedHealthcare Facility Laboratory and Pathology Fee Schedule. Effective October 1, 2011, this policy also applies when any Laboratory or Pathology outpatient service category is contracted using the Per Unit payment method.

## Audience

**Targeted Population**

This policy applies to participating hospitals contracted under the UHC Facility Laboratory and Pathology Fee Schedule. Effective October 1, 2011, this policy also applies when any Laboratory or Pathology outpatient service category is contracted using the Per Unit payment method.

## Policy

**Overview**

According to the Centers for Medicare and Medicaid Services (CMS), laboratory and pathology procedures/services should be reported with the CPT/HCPCS code(s) that most comprehensively describe the services performed. Unbundling occurs when multiple procedure codes are billed for a group of procedures that are covered by a single comprehensive code.
Edit Sources and Application

UnitedHealthcare sources its hospital outpatient laboratory and pathology rebundling edits to methodologies used and recognized by third party authorities. The definitive sources used to determine if a rebundling edit is appropriate are as follows:

- Current Procedural Terminology book (CPT) from the American Medical Association (AMA) and the
- Centers for Medicare and Medicaid Services (CMS) National Correct Coding Initiative (NCCI) edits as loaded in the Medicare Outpatient Code Editor (OCE).

UHC follows CMS in applying the edits based on the version in effect for the date of service of the laboratory/pathology procedures reported. The hospital version of the NCCI edits is updated quarterly by CMS.

The edits administered by this policy may be found on the following link:
Medicare National Correct Coding Initiative (NCCI) Edits

The Column One/Column Two Correct Coding Edits table and the Mutually Exclusive Edits table have been combined by CMS into one table and denote code pairs that should not be reported together.

Modifiers

As specified by CMS and CPT, United Healthcare will consider the following modifiers for laboratory and pathology service reporting:

- 59 Distinct Procedural Service
- 76 Repeat Procedure or Service by Same Physician/Other Health Care Professional
- 77 Repeat Procedure or Service by Another Physician/Other Health Care Professional
- 90 Reference (Outside) Laboratory
- 91 Repeat Clinical Diagnostic Laboratory Test
- 92 Alternative Laboratory Platform Testing
- XE Separate encounter
- XP Separate practitioner
- XS Separate organ/structure
- XU Unusual non-overlapping service

Information describing usage of modifier 59 and the -X {EPSU} modifiers can be found on the CMS Medicare NCCI, Medicaid NCCI or CMS MLN Matters websites.

Medicare Learning Network (MLN) Specific Modifiers for Distinct Procedural Services

Medicare Learning Network (MLN) Proper Use of Modifier 59

Definitions

| CMS CCI Definitive Edit | An edit sourced to specific billing guidelines from the General Correct Coding Policies contained in the National Correct Coding Policy Manual published by CMS. |
CPT Definitive Edit

An edit sourced to specific CPT coding book direction related to the reporting of exact codes or modifiers.

References and Resources


2. Centers for Medicare and Medicaid Services (CMS)

Questions and Answers

Q1. Which version of the Correct Coding Initiative (CCI) edits does United Healthcare apply to hospital outpatient laboratory and pathology claims?
A1. In accordance with CMS, United Healthcare applies the hospital version of the CCI edits that are applicable to the date of service as loaded in the Medicare Outpatient Code Editor (OCE).

History/Updates

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<thead>
<tr>
<th>Date</th>
<th>Description</th>
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<tbody>
<tr>
<td>May, 2009</td>
<td>Publication of Policy</td>
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<tr>
<td>October 1, 2011</td>
<td>Change in Scope to include Per Unit methodology for applicable contracts</td>
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