Hospital Outpatient Laboratory and Pathology Services Rebundling Policy

<table>
<thead>
<tr>
<th>Type</th>
<th>Hospital Reimbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>002</td>
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<table>
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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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</table>

**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**

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*

*CMS National Correct Coding Initiative (CCI) edits*

**Modifiers**

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

-59, -76, -77, -90, -91 and -92

**Modifier -59 Instructions:**

UnitedHealthcare follows CPT guidelines for the use of modifier 59. According to the CPT book, modifier 59 (distinct procedural service) is used to identify procedures/services that are not normally reported together, but are appropriate under the circumstances. Use of the modifier 59 may represent a:

1. different session or patient encounter,
2. different procedure or service on the same day,
3. different site or organ system,
4. separate incision/excision,
5. separate lesion, or
6. separate injury (or area of injury in extensive injuries).

According to the CPT book, modifier 59 should **only** be used when a more descriptive modifier is not available.
## Definitions

<table>
<thead>
<tr>
<th>CMS CCI Definitive Edit</th>
<th>An edit sourced to specific billing guidelines from the General Correct Coding Policies contained in the National Correct Coding Policy Manual published by CMS.</th>
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</thead>
<tbody>
<tr>
<td>CPT Definitive Edit</td>
<td>An edit sourced to specific CPT coding book direction related to the reporting of exact codes or modifiers.</td>
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## References and Resources

### References

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

<table>
<thead>
<tr>
<th>Date</th>
<th>Update</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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## Attachments

<table>
<thead>
<tr>
<th>Mutually Exclusive Laboratory/Pathology Code List</th>
<th>Mutually Exclusive Services that may or may not be allowed with appropriate modifier(s)</th>
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<tbody>
<tr>
<td></td>
<td><strong>CMS National Correct Coding Initiative (NCCI)</strong></td>
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</table>
| Comprehensive Codes  
(Column1/Column 2)  
Laboratory/Pathology Code List: | Comprehensive/Component Codes that may or may not be allowed with appropriate modifier(s).  

CMS National Correct Coding Initiative (NCCI) |

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