

MODIFIER SU POLICY

Policy Number: ADMINISTRATIVE 241.10 T0

Effective Date: April 1, 2018

Table of Contents	Page
INSTRUCTIONS FOR USE	1
APPLICABLE LINES OF BUSINESS/PRODUCTS	1
APPLICATION	1
OVERVIEW	1
REIMBURSEMENT GUIDELINES	1
DEFINITIONS	2
QUESTIONS AND ANSWERS	2
REFERENCES	2
POLICY HISTORY/REVISION INFORMATION	2

Related Policies

None

INSTRUCTIONS FOR USE

The services described in Oxford policies are subject to the terms, conditions and limitations of the member's contract or certificate. Unless otherwise stated, Oxford policies do not apply to Medicare Advantage members. Oxford reserves the right, in its sole discretion, to modify policies as necessary without prior written notice unless otherwise required by Oxford's administrative procedures or applicable state law. The term Oxford includes Oxford Health Plans, LLC and all of its subsidiaries as appropriate for these policies.

Certain policies may not be applicable to Self-Funded members and certain insured products. Refer to the member specific benefit plan document or Certificate of Coverage to determine whether coverage is provided or if there are any exclusions or benefit limitations applicable to any of these policies. If there is a difference between any policy and the member specific benefit plan document or Certificate of Coverage, the member specific benefit plan document or Certificate of Coverage will govern.

UnitedHealthcare may also use tools developed by third parties, such as the MCG™ Care Guidelines, to assist us in administering health benefits. The MCG™ Care Guidelines are intended to be used in connection with the independent professional medical judgment of a qualified health care provider and do not constitute the practice of medicine or medical advice.

APPLICABLE LINES OF BUSINESS/PRODUCTS

This policy applies to Oxford Commercial plan membership.

APPLICATION

This 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.

OVERVIEW

This policy sets forth Oxford's policy regarding reimbursement for claims appended with modifier SU, Procedure performed in physician's office (to denote use of facility and equipment), in an office place of service.

REIMBURSEMENT GUIDELINES

The Centers for Medicare and Medicaid Services (CMS) indicates that the Health Care Common Procedure Coding System (HCPCS) modifier SU, *Procedure performed in physician's office (to denote use of facility and equipment)*, is not payable. CMS establishes Relative Value Units (RVU) for CPT and HCPCS codes that include the costs of running an office (such as rent, equipment, supplies and non-physician staff costs) which are referred to as the practice expense RVU. In accordance with CMS, Oxford does not allow reimbursement for services appended with modifier SU

in an office place of service, since the use of the office facility and equipment is included in the practice expense RVU, or the costs associated with operating an office.

If the charges associated with the use of the modifier SU are submitted by a different provider than the physician performing the office procedure, they will not be considered for separate reimbursement since these practice expenses are considered included in the reimbursement for the physician performing the service.

DEFINITIONS

Relative Value Units: The assigned unit value of a particular CPT or HCPCS code. The associated RVU is either from the CMS NPFS Transitioned Non-Facility Total value or Transitioned Facility Total value.

QUESTIONS AND ANSWERS

1	Q:	Does Oxford provide reimbursement for modifier SU to denote use of facility and equipment?
	A:	No. When billed in an office place of service, Oxford does not reimburse any service appended with modifier SU since the costs associated with operating an office are included in the reimbursement to the physician performing the service unless a provider's contract states otherwise.

REFERENCES

The foregoing Oxford policy has been adapted from an existing UnitedHealthcare national policy that was researched, developed and approved by UnitedHealthcare Reimbursement Policy Oversight Committee. [2017R0120A]

American Medical Association, Coding with Modifiers.

Centers for Medicare and Medicaid Services, CMS Manual System and other CMS publications and services.

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

POLICY HISTORY/REVISION INFORMATION

Date	Action/Description
04/01/2018	<ul style="list-style-type: none">Updated policy application guidelines; added language to clarify this policy applies to services reported using the 1500 Health Insurance Claim Form (a/k/a CMS-1500) or its electronic equivalent or its successor formArchived previous policy version ADMINISTRATIVE 241.9 TO