REIMBURSEMENT FOR COMPREHENSIVE AND COMPONENT CPT CODES

Policy Number: ADMINISTRATIVE 043.10 T0

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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.

PURPOSE

The purpose of this policy is to define the payment methodology utilized by Oxford in determining claims reimbursement when multiple procedures are performed in the same session by the same provider.

DEFINITIONS

Correct Coding Initiative: A system of coding edits developed by CMS in conjunction with AdminaStar Federal, Inc. to be utilized nationally by all Medicare carriers. The code edits were developed based on review of CPT™ code descriptors, CPT coding instructions and guidelines, local Medicare carrier national edits, and Medicare billing history. The correct coding edits that resulted from this process have now been incorporated into claims processing systems used by Medicare carriers to determine payments to physicians.

Incidental Procedure: Procedures that can be performed along with the primary procedure, but are not essential to complete that procedure. Often these codes are identified by CPT nomenclature as “separate procedures.”
Mutually Exclusive Procedure: Mutually exclusive procedures are a coding combination billed in error that follows one or both of the following criteria: Either the two services cannot reasonably be done in the same session, or the coding combination represents two methods of performing the same service.

Rebundling/Bundling: Reimbursement denial for any additional billed services that are components of or inclusive to, or mutually exclusive of a more comprehensive procedure performed in the same session by the same provider.

Unbundling: To inappropriately bill more CPT/HCPCS codes than necessary. Applied when certain codes represent procedures that are basic steps to accomplish a primary procedure already on the bill and, by definition, are included in the reimbursement of the primary procedure.

POLICY

The AMA Current Procedural Terminology (CPT) codebook is a systematic listing of procedures and services performed by physicians. It is a compendium of descriptions that depicts the various medical services available, identified by a five-digit code. The use of the CPT codes allows the physician to accurately identify the services rendered and report for reimbursement. All aspects of medicine or surgical services are subject to certain parameters as part of the reimbursement process.

The process of assigning a CPT code to a procedure or service is dependent on both the procedure performed and the documentation that supports it. When multiple procedures are performed in the same session, only one procedure may be listed as the primary procedure and any additional codes may be considered inherently part of the primary procedure or other billed procedures or mutually exclusive to the procedures. All CPT codes billed are subject to review for Rebundling.

PROCEDURES AND RESPONSIBILITIES

When two or more related procedures are performed on a patient during a single session or visit, Oxford will reimburse the provider for the comprehensive code and deny or adjust the component, incidental or Mutually Exclusive Procedure performed during the same session. The Rebundling guidelines in this policy are based on The Correct Coding Initiative administered through the Centers for Medicare & Medicaid Services (CMS), AMA Current Procedural Terminology (CPT Code) and additional general industry accepted guidelines.

To rebundle a claim, Oxford claims system utilizes a software package assembled by IntelliClaim (owned by McKesson Health Solutions). IntelliClaim's product provides a platform on which two off-the-shelf and widely used products (referenced below) are combined with a flexible environment that allows Oxford to develop, customize & update our payment guidelines as necessary. Through their product, the efficiency, accuracy and speed with which millions of edits can be applied, the detailed documentation supporting the logic behind the rules, and the clear explanations for claim adjustments result in more automated claim processing, faster turnaround, more consistent and understandable results, and improved customer service. As part of the IntelliClaim package, IntelliClaim has incorporated two software packages to rebundle codes. These software packages are the Correct Coding Initiative Software by The National Technical Information Service (NTIS) and effective October 6, 2006, ClaimsXten™ by McKesson.

The NTIS software provides Oxford with the Correct Coding Rules used by CMS. This software is the same software product used by fiscal intermediaries that process Medicare Fee for Service claims for CMS. The Correct Coding Rules can be found on CMS’s website at [www.cms.gov](http://www.cms.gov). The IntelliClaim software incorporates the quarterly updates that CMS makes to the Correct Coding rules into Oxford's claims processing system. ClaimsXten™ contains KnowledgePacks consisting of rules that, among other things, characterizes coding relationships on provider medical bills. ClaimsXten provides information that allows claims submitters, claims processors and adjudicators to identify potentially incorrect or inappropriate coding relationships by a single provider, for a single patient, on a single date of service. Examples of the rules include incidental, mutually exclusive, Unbundling and visit edits. Sources of the KnowledgePacks include the AMA and CPT publications, CMS, specialty societies and McKesson physician consultants.

Please note this Reimbursement policy is subject to Oxford’s reimbursement policies and rules. Refer to the Modifier Reference policy for additional information.

REFERENCES

American Medical Association Current Procedural Terminology
## POLICY HISTORY/REVISION INFORMATION

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<th>Action/Description</th>
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