

Policy 1223

NHP/NHIC ~ Rebundling Policy

Purpose: This policy provides an overview of how Network Health Plan/Network Health Insurance Corporation (NHP/NHIC) addresses coding relationships through rebundling edits. This policy applies the services reported on the Centers for Medicare and Medicaid Services (CMS) 1500 Claim Form or its electronic equivalent.

Policy and Procedure: According to CMS, medical and surgical procedures should be reported with the HCPCS/CPT codes 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. These services apply to the same individual rendering health care services using the same Federal Tax Identification number.

Edit Sources: NHP/NHIC sources its rebundling edits based on the Claims Editing System which apply methodologies both used and recognized by third party authorities. Those methodologies can be definitive or interpretive. A definitive source is one that is based on very specific instructions from the given source. An interpreted source is one that is based on an interpretation of instructions from the identified source. Some source examples NHP/NHIC uses to determine if a rebundling edit is appropriate are as follows: Current Procedural Terminology book (CPT) from the American Medical Association (AMA); CMS National Correct Coding Initiative (CCI) edits; CMS Policy and Physician specialty societies (e.g., American Academy of Orthopaedic Surgeons (AAOS), American College of Obstetricians and Gynecologists (ACOG), and American College of Cardiology (ACC).

Modifier 59: NHP/NHIC 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:

- Different session,
- Different procedure or surgery,
- Different site or organ system,
- Separate incision/excision,
- Separate lesion, or
- Separate injury (or area of injury in extensive injuries).

The above points apply to procedures/services that are not ordinarily encountered or performed on the same day by the same individual.

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

Modifier 25: NHP/NHIC follows CPT guidelines for the use of modifier 25. The CPT book indicates that modifier 25 can be appended when the patient's condition requires a significant, separately identifiable E/M service above and beyond the procedure/service provided or the E/M service was provided above and beyond the usual preoperative and postoperative care associated with the procedure/service that was performed.

NHP/NHIC will reimburse when using modifier 25, provided the use of the modifier meets the above requirements. NHP/NHIC will monitor modifier usage and frequency for appropriate billing of the modifier.

Note: E/M services as well as procedures/services of physicians and other health care professionals of the same specialty within the same group with the same federal tax identification number are considered as having been performed by the same physician/provider.

This policy is not a guarantee of coverage or payment. The claim(s) will be denied if it does not meet with all the terms and provisions of the members Certificate of Coverage. Actual benefits will be determined when the claim(s) or bill(s) are submitted to NHP/NHIC. NHP/NHIC reserves the right to periodically review and update all claims policies and procedures.

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