

Payment Policy: Multiple CPT Code Replacement

Reference Number: CC.PP.033

Product Types: ALL

Effective Date: 01/01/2014

Last Review Date: 11/01/2020

[Coding Implications](#)
[Revision Log](#)

See [Important Reminder](#) at the end of this policy for important regulatory and legal information.

Policy Overview

When a single, more comprehensive procedure code exists to describe multiple services, the single more comprehensive code should be used versus multiple CPT codes. This is known as unbundling. The health plan will not reimburse the multiple procedure codes, but instead will make a recommendation to reimburse the single, most comprehensive code. This determination is based on the CPT code description for each code billed.

Application

- Professional claims
- Same provider
- Within the same claim
- Claims with the same date of service
- Will review historical claims

Reimbursement

The health plan's code editing software identifies when two or more codes have been billed to represent a service, instead of the single, most comprehensive code. The following claims processing scenarios will occur based on how the services were billed:

Examples

Multiple component codes billed on claim instead of the most comprehensive code, 85027:

| | DOS | Procedure Code | Quantity | Charge Amount | Allow Amount | Deny Amount | Pay | EX code |
|-------------|----------|----------------|----------|---------------|--------------|-------------|--------|---------|
| 200 | 5/3/2016 | 85014 | 1 | \$9.69 | \$3.50 | \$3.50 | \$0.00 | xa |
| 300 | 5/3/2016 | 85018 | 1 | \$9.69 | \$3.50 | \$3.50 | \$0.00 | xa |
| 400 | 5/3/2016 | 85041 | 1 | \$11.79 | \$5.50 | \$5.50 | \$0.00 | xa |
| 500 | 5/3/2016 | 85048 | 1 | \$10.38 | \$4.50 | \$4.50 | \$0.00 | xa |
| 600 | 5/3/2016 | 85049 | 1 | \$18.33 | \$12.25 | \$12.25 | \$0.00 | xa |
| ↓Added Line | | | | \$59.88 | \$29.25 | \$29.25 | | |
| 700 | 5/3/2016 | 85027 | 1 | \$59.88 | \$8.51 | \$0.00 | \$8.51 | 92 |

PAYMENT POLICY
Multiple CPT Code Replacement

| CPT Code | Description |
|--------------|---|
| 85014 | Blood Count; Hematocrit (HCT) |
| 85018 | Blood Count; Hemoglobin (HGB) |
| 85041 | Blood Count, Red Blood Cell (RBC), Automated |
| 85048 | Blood Count, Leukocyte (WBC), Automated |
| 85049 | Blood Count; Platelet, Automated |
| 85027 | Blood Count; Complete (CBC), Automated, (HGB, HCT, RBC, WBC and Platelet Count |

The following automated steps were taken to correct the claim and reimburse the provider correctly:

1. The health plan’s automated code editing software analyzed each service line, the CPT code billed and its description.
2. A total of 5 component codes were billed on service lines 0200-0600.
3. The software analyzed the service lines and determined that the most comprehensive CPT code had not been billed (85027).
4. The software denied each component service line with the denial code (EX code) “xa”
5. As a courtesy to the provider, the software added a new service line to reflect the most comprehensive code.
6. Total billed charges for the component codes is \$59.88
7. The total denied amount for the component codes is \$29.25
8. The total allowed amount for the most comprehensive code, 85027 is \$8.51
9. Total cost avoidance = \$20.74.

This edit does not change how a provider originally billed, but instead, as a courtesy to the provider, adds a new service line with the correct, payable quantity. All originally billed service lines remain on the claim.

Multiple component codes billed AND the most comprehensive code is billed:

| | DOS | Procedure Code | Quantity | Charge Amount | Allow Amount | Deny Amount | Pay | EX code |
|-----|----------|----------------|----------|---------------|---------------|-------------|---------------|---------|
| 200 | 5/3/2016 | 85014 | 1 | \$9.69 | \$3.50 | \$3.50 | \$0.00 | xa |
| 300 | 5/3/2016 | 85018 | 1 | \$9.69 | \$3.50 | \$3.50 | \$0.00 | xa |
| 400 | 5/3/2016 | 85041 | 1 | \$11.79 | \$5.50 | \$5.50 | \$0.00 | xa |
| 500 | 5/3/2016 | 85048 | 1 | \$10.38 | \$4.50 | \$4.50 | \$0.00 | xa |
| 600 | 5/3/2016 | 85049 | 1 | \$18.33 | \$12.25 | \$12.25 | \$0.00 | xa |
| 700 | 5/3/2016 | 85027 | 1 | \$59.88 | \$8.51 | \$0.00 | \$8.51 | 92 |

In the above example, all component service lines are denied with the denial EX code “xa”, however, the most comprehensive code billed on service line 0700 is paid. The allowed amount is \$8.51.

PAYMENT POLICY

Multiple CPT Code Replacement

Additional Information

Some health plan provider fee schedules are reimbursed at a rate lower than allowed for the most comprehensive code; in these instances, the provider or health plan will be excluded from the edit logic.

Definitions

1. **Unbundling**: Coding two or more bundled procedures separately instead of the single, most comprehensive code. This practice results in incorrect provider payments.
2. **Bundled procedures**: Procedures that are included as part of a more extensive procedure.

References

1. *Current Procedural Terminology (CPT®)*, 2020
2. *HCPCS Level II*, 2020
3. *International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM)*, 2020
4. *ICD-10-CM Official Draft Code Set*, 2020

| Revision History | |
|------------------|--|
| 02/28/2018 | Converted to revised template and conducted review |
| 04/01/2019 | Conducted review and updated policy |
| 11/01/2019 | Annual Review completed |
| 11/01/2020 | Annual Review completed |

Important Reminder

For the purposes of this payment policy, “Health Plan” means a health plan that has adopted this payment policy and that is operated or administered, in whole or in part, by Centene Management Company, LLC, or any other of such health plan’s affiliates, as applicable.

The purpose of this payment policy is to provide a guide to payment, which is a component of the guidelines used to assist in making coverage and payment determinations and administering benefits. It does not constitute a contract or guarantee regarding payment or results. Coverage and payment determinations and the administration of benefits are subject to all terms, conditions, exclusions and limitations of the coverage documents (e.g., evidence of coverage, certificate of coverage, policy, contract of insurance, etc.), as well as to state and federal requirements and applicable plan-level administrative policies and procedures.

This payment policy is effective as of the date determined by Health Plan. The date of posting may not be the effective date of this payment policy. This payment policy may be subject to applicable legal and regulatory requirements relating to provider notification. If there is a discrepancy between the effective date of this payment policy and any applicable legal or

PAYMENT POLICY

Multiple CPT Code Replacement

regulatory requirement, the requirements of law and regulation shall govern. Health Plan retains the right to change, amend or withdraw this payment policy, and additional payment policies may be developed and adopted as needed, at any time.

This payment policy does not constitute medical advice, medical treatment or medical care. It is not intended to dictate to providers how to practice medicine. Providers are expected to exercise professional medical judgment in providing the most appropriate care, and are solely responsible for the medical advice and treatment of members. This payment policy is not intended to recommend treatment for members. Members should consult with their treating physician in connection with diagnosis and treatment decisions.

Providers referred to in this policy are independent contractors who exercise independent judgment and over whom Health Plan has no control or right of control. Providers are not agents or employees of Health Plan.

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Note: For Medicaid members, when state Medicaid coverage provisions conflict with the coverage provisions in this payment policy, state Medicaid coverage provisions take precedence. Please refer to the state Medicaid manual for any coverage provisions pertaining to this payment policy.

Note: For Medicare members, to ensure consistency with the Medicare National Coverage Determinations (NCD) and Local Coverage Determinations (LCD), all applicable NCDs and LCDs should be reviewed prior to applying the criteria set forth in this payment policy. Refer to the CMS website at <http://www.cms.gov> for additional information.

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