



## Payment Policy

### Provider Based Billing Policy

#### Purpose

The purpose of this payment policy is to define reimbursement for provider based billing.

#### Applicable Plans

- MHI MA Plans
- MHI NH Plans

#### Definitions

For the purpose of this policy, provider based billing refers to the billing process rendered in a hospital outpatient clinic or other location, e.g., a treatment room. The use of a treatment room is an expected part of a minor procedure, and replaces the charge for operating room and recovery room. Under this billing process, two charges can be billed, one charge representing the facility or hospital charge and one charge representing the professional or physician fee.

#### Requirements

When an evaluation and management service is performed in the provider's office, MHI will reimburse physician services with **the non-facility site of service RVU whether the service is performed in the office or the hospital. MHI will NOT also reimburse the hospital; corresponding hospital bills will be denied.**

Other outpatient covered services performed in the hospital setting on the same day as an MD visit will pay according to contracted rates in effect at the time of services.

#### Authorization Requirements

None

#### Attachments

None

## Important Note About This Reimbursement Policy

Providers are responsible for submission of accurate claims. All EDI claims must be submitted in accordance with HIPAA 5010 Standards and Paper claims must be submitted on either CMS1500 or CMS1450 (UB04) claim forms. MHI's reimbursement policy includes the use of Current Procedural Terminology (CPT<sup>®1</sup>), guidelines from the Centers for Medicare and Medicaid Services (CMS), and other coding guidelines. Providers will be reimbursed based on the codes(s) that correctly describe the health care services provided.

MHI may use reasonable discretion in interpreting and applying this policy to health care services provided in a particular case. Further, the policy does not address all issues related to reimbursement for health care services provided to MHI enrollees. Other factors affecting reimbursement may supplement, modify or, in some cases, supersede this policy. These factors may include, but are not limited to, legislative mandates, the type of provider agreement and the terms of that agreement, the MHI Provider Manual, and/or the enrollee's benefit coverage documents.

MHI reserves the right to audit any provider and/or facility to ensure compliance with the guidelines stated in this payment policy in accordance with our provider review policy.

## Resources

American Medical Association, Current Procedural Terminology (CPT<sup>®</sup>) and associated publications and services

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

MHI Provider Manual

## History

Updated 11/1/2015, 11/01/2016

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<sup>1</sup> CPT<sup>®</sup> is a registered trademark of the American Medical Association.