UnitedHealthcare® Medicare Advantage
Reimbursement Policy
CMS 1500
Policy Number 2024R9037A

Supply Policy, Professional

IMPORTANT NOTE ABOUT THIS REIMBURSEMENT POLICY

This policy is applicable to UnitedHealthcare Medicare Advantage Plans offered by UnitedHealthcare and its affiliates.

You are responsible for submission of accurate claims. This reimbursement policy is intended to ensure that you are reimbursed based on the code or codes that correctly describe the health care services provided. UnitedHealthcare Medicare Advantage reimbursement policies use Current Procedural Terminology (CPT®*), Centers for Medicare and Medicaid Services (CMS), or other coding guidelines. References to CPT or other sources are for definitional purposes only and do not imply any right to reimbursement.

This reimbursement policy applies to all health care services billed on CMS 1500 forms. Coding methodology, industry-standard reimbursement logic, regulatory requirements, benefits design and other factors are considered in developing reimbursement policy.

This information is intended to serve only as a general resource regarding UnitedHealthcare's Medicare Advantage reimbursement policy for the services described and is not intended to address every aspect of a reimbursement situation. Accordingly, UnitedHealthcare Medicare Advantage 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 UnitedHealthcare Medicare Advantage 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 physician or other provider contracts, and/or the enrollee's benefit coverage documents**. Finally, this policy may not be implemented exactly the same way on the different electronic claims processing systems used by UnitedHealthcare Medicare Advantage due to programming or other constraints; however, UnitedHealthcare Medicare Advantage strives to minimize these variations.

UnitedHealthcare Medicare Advantage may modify this reimbursement policy at any time to comply with changes in CMS policy and other national standard coding guidelines by publishing a new version of the reimbursement policy on this website. However, the information presented in this reimbursement policy is accurate and current as of the date of publication. UnitedHealthcare Medicare Advantage encourages physicians and other health care professionals to keep current with any CMS policy changes and/or billing requirements by referring to the CMS or your local carrier website regularly. Physicians and other health care professionals can sign up for regular distributions for policy or regulatory changes directly from CMS and/or your local carrier. UnitedHealthcare's Medicare Advantage reimbursement policies do not include notations regarding prior authorization requirements.

** For more information on a specific enrollee's benefit coverage, please call the customer service number on the back of the member ID card.

Table of Contents

UnitedHealthcare® Medicare Advantage
Reimbursement Policy
CMS 1500
Policy Number 2024R9037A

Application

This reimbursement policy applies to all Medicare advantage Products and for 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 network physicians and other qualified health care professionals.

Policy

Overview

This policy describes the reimbursement methodology for Healthcare Common Procedure Coding System (HCPCS) codes representing supplies, drugs and other items based on the Place of Service (POS) submitted and Centers for Medicare and Medicaid Services (CMS) National Physician Fee Schedule (NPFS) Relative Value File.

Reimbursement Guidelines

Supply Reimbursement in a Physician's or Other Qualified Health Care Professional's Office and Other Nonfacility Places of Service

Casting and Splint Supplies
HCPCS codes A4570, A4580, and A4590 which were previously used for billing of splints and casts are invalid for Medicare and Q codes were established to reimburse physicians and other qualified health care professionals for the supplies used in creating casts. Consistent with CMS, UnitedHealthcare Medicare Advantage does not reimburse HCPCS codes A4570, A4580, and A4590 for casting and splint supplies. Physicians and other qualified health care professionals should use the Q codes (Q4001-Q4051) for reimbursement of casting and splint supplies.

For the purposes of this policy, a nonfacility place of service is considered POS 1, 3, 4, 9, 11, 13, 14, 15, 16, 17, 20, 33, 49, 50, 54, 55, 57, 60, 62, 65, 71, 72, 81 and 99.

Implantable Tissue Markers

CMS clarifies that implantable tissue markers (HCPCS code A4648) and implantable radiation dosimeters (HCPCS code A4650) are separately billable and payable when used in conjunction with CPT codes 19499, 32553, 49411 or 55876 on a claim for physician services. Consistent with CMS, UnitedHealthcare Medicare Advantage will allow separate reimbursement for HCPCS codes A4648 and A4650 when billed on the same date of service with either CPT codes 19499, 32553, 49411 or 55876. If not reported with at least one of these CPT codes, HCPCS codes A4648 and A4650 are not separately reimbursable.

Reimbursement for Supplies, Durable Medical Equipment (DME), Orthotics, Prosthetics, Biologicals, and Drugs Reported with Facility Places of Service

CMS follows a Prospective Payment System (PPS) where Medicare payment is based on a predetermined, fixed amount payable to a facility for inpatient or outpatient hospital services. In addition, CMS reimburses Ambulatory Surgery Centers (ASC) under an ASC payment system. With these payment systems, all costs associated with drugs and supplies are also deemed included in the payment to the facility and not considered separately reimbursable when reported on a CMS-1500 claim form by a physician or other qualified health care professional.

Consistent with CMS, UnitedHealthcare Medicare Advantage will not allow separate reimbursement for specific HCPCS supplies, DME, orthotics, prosthetics, biologicals, and drugs reported with a HCPCS J code when submitted on a CMS-1500 claim form by any physician or other qualified health care professional in the following facility POS: 19, 21, 22, 23, and 24.

Supply Code 99070 and 99072

For reimbursement of covered medical and surgical supplies, an appropriate Level II HCPCS code must be submitted. The non-specific CPT codes 99070 (supplies and materials, except spectacles, provided by the physician or other health care professional over and above those usually included with the office visit or other services rendered [list drugs, trays, supplies, or materials provided]) and 99072 are not separately reimbursable in any setting.

Definitions	
National Physician Fee Schedule Relative Value File	A public use file that contains information on services covered by the Medicare Physician Fee Schedule (MPFS). The file contains the associated Relative Value Units (RVUs), a fee schedule status indicator, and various payment policy indicators needed for payment adjustment (e.g., payment of assistant at surgery, team surgery, bilateral surgery).
Practice Expense Relative Value Units (PE RVU)	The portion of the Total Relative Value Units assigned to a particular CPT or HCPCS code for maintaining a practice including rent, equipment, supplies and nonphysician staff costs.
Relative Value Units	The assigned unit value of a particular CPT or HCPCS code. The associated RVU is either from the CMS NPFS Non-Facility Total value or Facility Total value.

Resources

www.cms.gov

American Medical Association (AMA) Current Procedural Terminology (CPT®)

Centers for Medicare and Medicaid Services: PFS Relative Value Files, Transmittal 745

Medicare Claims Processing Manual - Chapter 04 - Part B Hospital (Including Inpatient Hospital Part B and OPPS): Section: 10.4, 20.1, 40.5, 50.3. 50.4, 60, 60.1, 240.3

Medicare Claims Processing Manual - Chapter 05 - Part B Outpatient Rehabilitation and CORF/OPT Services: Section 100.7

Medicare Claims Processing Manual - Chapter 06 - Inpatient Part A Billing and SNF Consolidated Billing: Section 10

Medicare Claims Processing Manual - Chapter 12 - Physicians/Nonphysician Practitioners: Section 20.3, 20.4.2, 20.4.4, 40.1

Medicare Claims Processing Manual - Chapter 17 - Drugs and Biologicals: Section 10, 70

History

9/1/2024	Policy Version Change Policy History Section: Entries prior to 9/1/2022 archived
9/1/2023	Policy Version Change Policy Application Section: Updated Policy Logo Updated Policy History Section: Entries prior to 9/1/2021 archived
9/1/2022	Policy Version Change Application Section: Updated Table of Contents Updated Resources Section: Updated History Section: Entries prior to 9/1/2020 archived
11/19/2014	Policy implemented by UnitedHealthcare Medicare Advantage
11/19/2014	Policy approved by the UnitedHealthcare Medicare Reimbursement Policy Committee