

## Add-On Codes

|                      |               |                    |  |                              |            |
|----------------------|---------------|--------------------|--|------------------------------|------------|
| <b>Policy Number</b> | AOC01012014RP | <b>Approved By</b> | UnitedHealthcare Medicare Reimbursement Policy Committee | <b>Current Approval Date</b> | 07/09/2014 |
|----------------------|---------------|--------------------|--|------------------------------|------------|

### 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 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 and, when specified, to those billed on UB04 forms (CMS 1450). 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 reimbursement policy for the services described and is not intended to address every aspect of a reimbursement situation. Accordingly, UnitedHealthcare 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 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 due to programming or other constraints; however, UnitedHealthcare strives to minimize these variations.

UnitedHealthcare may modify this reimbursement policy at any time by publishing a new version of the policy on this Website. However, the information presented in this policy is accurate and current as of the date of publication.

\*CPT copyright 2010 (or such other date of publication of CPT) American Medical Association. All rights reserved. CPT is a registered trademark of the American Medical Association.

Proprietary information of UnitedHealthcare. Copyright 2014 United HealthCare Services, Inc.

### Table of Contents

|  |          |
|--|----------|
| <b>Application</b> .....                               | <b>1</b> |
| <b>Summary</b> .....                                   | <b>2</b> |
| Overview .....   | 2        |
| Reimbursement Guidelines .....                         | 2        |
| <b>Questions and Answers</b> .....                     | <b>3</b> |
| <b>References Included (but not limited to):</b> ..... | <b>3</b> |
| CMS Claims Processing Manual .....                     | 3        |
| CMS Transmittals .....                                 | 3        |
| MLN Matters .....                                      | 3        |
| Others .....   | 3        |
| <b>History</b> .....                                   | <b>3</b> |

### Application

This reimbursement policy applies to services reported using the Health Insurance Claim Form CMS-1500 or its electronic equivalent or its successor form, and services reported using facility claim form CMS-1450 or its electronic equivalent or its successor form. This policy applies to all products, all network and non-network physicians, and other health care professionals.

The HCPCS/CPT code(s) may be subject to Correct Coding Initiative (CCI) edits. This policy does not take precedence over CCI edits. Please refer to the CCI for correct coding guidelines and specific applicable code combinations prior to billing UnitedHealthcare. It is not enough to link the procedure code to a correct, payable ICD-9-CM diagnosis code. The diagnosis must be present for the procedure to be paid. Compliance with the

## Add-On Codes

provisions in this policy is subject to monitoring by pre-payment review and/or post-payment data analysis and subsequent medical review. The effective date of changes/additions/deletions to this policy is the committee meeting date unless otherwise indicated. CPT codes and descriptions are copyright 2010 American Medical Association (or such other date of publication of CPT). All rights reserved. CPT is a registered trademark of the American Medical Association. Applicable FARS/DFARS restrictions apply to Government use. Fee schedules, relative value units, conversion factors, and/or related components are not assigned by the AMA, are not part of CPT, and the AMA is not recommending their use. The AMA does not directly or indirectly practice medicine or dispense medical services. The AMA assumes no liability for data contained or not contained herein. Current Dental Terminology (CDT), including procedure codes, nomenclature, descriptors, and other data contained therein, is copyright by the American Dental Association, 2002, 2004. All rights reserved. CDT is a registered trademark of the American Dental Association. Applicable FARS/DFARS apply.

### Summary

#### Overview

Add-on codes are reimbursable services when reported in addition to the appropriate primary service by the Same Individual Physician or Other Health Care Professional reporting the same Federal Tax Identification Number on the same date of service unless otherwise specified within the policy. Add-on codes reported as Stand-alone codes are not reimbursable services in accordance with Current Procedural Terminology (CPT®) and the Centers for Medicare and Medicaid Services (CMS) guidelines.

#### Reimbursement Guidelines

The basis for Add-on codes is to enable physicians or other health care professionals to separately identify a service that is performed in certain situations as an additional service or a commonly performed supplemental service complementary to the primary service/procedure.

UnitedHealthcare Medicare & Retirement follows the American Medical Association (AMA) and the Centers for Medicare and Medicaid Services (CMS) with respect to the reporting of "Add-on" CPT and HCPCS codes. Per CPT Add-on codes describe additional intra-service work associated with a primary procedure/service, are always reported in addition to the primary service/procedure, and must be performed by the Same Individual Physician or Other Health Care Professional reporting the primary service/procedure. The add-on code may be identified in three ways. The code is listed in CR 7501 for Transmittal 2636 or subsequent ones as a Type I, Type II, or Type III, add-on Code. Many add-on codes are designated by the AMA with a "+" symbol and are also listed in Appendix D of the CPT book. The code descriptor of an add-on code generally includes phrases such as "each additional" or "(List separately in addition to primary procedure)." CMS assigns Add-on codes a Global Days indicator of "ZZZ" on the CMS National Physician Fee Schedule (NPFS).

CMS has divided the add-on codes into three groups to distinguish the payment policy for each group.

- 1) Type I - A Type I add-on code has a limited number of identifiable primary procedure codes. The CR lists the Type I add-on codes with their acceptable primary procedure codes. A Type I add-on code, **with one exception**, is eligible for payment if one of the listed primary procedure codes is also eligible for payment to the same practitioner for the same patient on the same date of service. Claims processing contractors must adopt edits to assure that Type I add-on codes are never paid unless a listed primary procedure code is also paid.
- 2) Type II - A Type II add-on code does not have a specific list of primary procedure codes. The CR lists the Type II add-on codes without any primary procedure codes. Claims processing contractors are encouraged to develop their own lists of primary procedure codes for this type of add-on codes. Like the Type I add-on codes, a Type II add-on code is eligible for payment if an acceptable primary procedure code as determined by the claims processing contractor is also eligible for payment to the same practitioner for the same patient on the same date of service.
- 3) Type III - A Type III add-on code has some, but not all, specific primary procedure codes identified in the *CPT Manual*. The CR lists the Type III add-on codes with the primary procedure codes that are specifically identifiable. However, claims processing contractors are advised that these lists are not exclusive and there are other acceptable primary procedure codes for add-on codes in this Type. Claims processing contractors are encouraged to develop their own lists of additional primary procedure codes for this group of add-on codes. Like the Type I add-on codes, a Type III add-on code is eligible for payment if an acceptable primary procedure code as determined by the claims processing contractor is also eligible for payment to

## Add-On Codes

the same practitioner for the same patient on the same date of service.

CMS will update the list of add-on codes with the primary procedure codes on an annual basis and the changes will be based on the changes made to the CPT Manual or HCPCS Level II Manual. Quarterly changes may also be posted as appropriate.

Note: All services described in this policy **may be subject** to other UnitedHealthcare Medicare & Retirement reimbursement policies including but not limited to the Medicare Physician Fee Schedule Status Indicator Reimbursement Policy.

### Questions and Answers

|          |           |   |
|----------|-----------|---|
| <b>1</b> | <b>Q:</b> | How would the policy handle the billing of codes 13102 (Repair, complex, trunk; each additional 5 cm or less (List separately in addition to code for primary procedure) and 13100 (Repair, complex, trunk; 1.1 cm to 2.5 cm) on the same date of service, by the same physician? |
|          | <b>A:</b> | In accordance with CPT guidelines, Add-on code 13102 is to be used in conjunction with code 13101 (Repair, complex, trunk; 2.6 cm to 7.5 cm) only. Therefore, code 13102 reported without the appropriate primary code, 13101 will not be separately reimbursed.                  |
| <b>2</b> | <b>Q:</b> | How has UnitedHealthcare Medicare & Retirement determined which codes are "Add-on" codes that must be reported with a primary service?  |
|          | <b>A:</b> | The policy follows CPT guidelines for those codes designated with a "+" symbol. These codes are considered to be an Add-on code by UnitedHealthcare Medicare & Retirement.  |
| <b>3</b> | <b>Q:</b> | On the Medicare Physician Fee Schedule Status Indicator Policy there are codes marked with a global indicator of ZZZ. Does this mean that it is an add-on code?   |
|          | <b>A:</b> | Yes, ZZZ is an indicator that it is an add-on code. Example: Code 13102 has a ZZZ listed for global days.   |

### References Included (but not limited to):

#### CMS Claims Processing Manual

Chapter 12; § 30D Coding Services Supplemental to Principal Procedure (Add-On Codes) Code, § 30.6.12I Critical Care Services Provided by Physicians in Group Practice(s)

#### CMS Transmittals

Transmittal 2636, Change Request 7501, Dated 01/16/2013 (National Correct Coding Initiative (NCCI) Add-On Codes Replacement of Identical Letter, Dated December 19, 1996 with Subject Line, Correct Coding Initiative Add-On (ZZZ) Codes – ACTION)

#### MLN Matters

Article SE1320, Add-on HCPCS/CPT Codes Without Primary Codes

#### Others

Add-on Code Edits, CMS Website

Physician Fee Schedule (PFS) Relative Value Files 2014 Final, CMS Website

### History

| Date       | Revisions      |
|------------|----------------|
| 07/09/2014 | Policy created |