

Transparency Policy: Place of Service Mismatch

Reference Number: LA.PP.063

Product Types: ALL

Effective Date: 08/2020

Last Review Date: 08/202~~20~~

Coding Implications
Revision Log

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

Policy Overview

Louisiana Healthcare Connection edits based on Current Procedural Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) descriptions and guidelines which are published by the American Medical Association (AMA). These prepay claims edits are utilized for professional and outpatient facility claims, auditing for potential coding errors.

The purpose of this policy is to identify instances in which a procedure code is billed with an inappropriate place of service per CPT/HCPCS guidelines. For some CPT and HCPCS codes, criteria are included for where these services may be performed. According to the CPT manual, place of service (POS) should be specified and match the procedure code's description and/or guidelines for use. The edit takes AMA, CMS, and state guidelines into consideration to ensure accurate reimbursement for services provided.

Application

1. Physician and Non-physician Practitioner Services
2. Outpatient Institutional Claims

Reimbursement

Procedure codes reported with an inappropriate place of service will be denied on a prepayment basis through claims edits applied by code auditing software.

Any procedure code which has been reported appropriately per the guidelines in this transparency policy remains subject to all other applicable reimbursement policies and guidelines.

Definitions

Place of Service: A numerical code on a claim indicating the entity where service(s) were rendered.

Prepayment Claims Edit: Edit applied to one or more claim lines during the adjudication process prior to payment, based on the most likely clinical scenario in accordance with all applicable coding guidelines.

References

1. American Medical Association, *Current Procedural Terminology (CPT)*®, 20~~19~~21
2. American Medical Association, *HCPCS Level II*, 20~~19~~21
3. Centers for Medicare and Medicaid Services (CMS) manuals and publications
4. Louisiana Medicaid regulations, manuals and fee schedules

Revision History

Place of Service Mismatch

08/15/2020	Converted corporate to local policy.
<u>08/30/2022</u>	<u>Annual Review;</u> <u>Updated dates in the reference section from 2019 to 2021</u> <u>Removed clinical and added payment policy in “Important Reminder” section</u>

Important Reminder

This ~~clinical policy~~ payment policy has been developed by appropriately experienced and licensed health care professionals based on a review and consideration of currently available generally accepted standards of medical practice; peer-reviewed medical literature; government agency/program approval status; evidence-based guidelines and positions of leading national health professional organizations; views of physicians practicing in relevant clinical areas affected by this ~~clinical policy~~ payment policy; and other available clinical information. LHCC makes no representations and accepts no liability with respect to the content of any external information used or relied upon in developing this ~~clinical policy~~ payment policy. This ~~clinical policy~~ payment policy is consistent with standards of medical practice current at the time that this ~~clinical policy~~ payment policy was approved.

The purpose of this ~~clinical policy~~ payment policy is to provide a guide to medical necessity, which is a component of the guidelines used to assist in making coverage decisions and administering benefits. It does not constitute a contract or guarantee regarding payment or results. Coverage decisions 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 LHCC administrative policies and procedures.

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This ~~clinical policy~~ 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 ~~clinical policy~~ 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 ~~clinical policy~~ payment policy are independent contractors who exercise independent judgment and over whom LHCC has no control or right of control. Providers are not agents or employees of LHCC.

Place of Service Mismatch

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POLICY AND PROCEDURE APPROVAL

The electronic approval retained in RSA Archer, Centene's P&P management software, is considered equivalent to an actual signature on paper.

Senior Director of Network Accounts: _____ Electronic Signature on File_

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