

# PROVIDER Update



Health Net®  
COMMUNITY SOLUTIONS

CONTRACTUAL | MARCH 14, 2018 | UPDATE 18-185 | 3 PAGES

## Health Net Implements New Payment Integrity Policies

In order to improve affordability for our members and to encourage appropriate utilization of resources and the highest quality of treatment, Health Net Community Solutions, Inc. (Health Net) is implementing four new policies, effective May 16, 2018. These policies follow the Centers for Medicare & Medicaid Services (CMS) National Correct Coding Initiative (NCCI) guidelines and will impact providers who are coding outside of fair and appropriate use.

These policies outline acceptable billing practices and reimbursement methodologies for certain procedures and services, and are developed based on medical literature and research, and industry standards and guidelines as published and defined by the American Medical Association's CPT®, CMS, and public domain specialty society guidance, unless specifically addressed in the Medi-Cal fee-for-service provider manual published by California. The information included in these policies will help providers bill claims accurately, therefore reducing unnecessary denials and delays in claims processing and payments. These policies include information on:

- Coding inaccuracies
- Diagnosis to procedure code mismatch
- Inappropriately modified procedures
- Unbundling of services
- Incidental procedures
- Duplication of services
- Medical necessity requirements
- Health plan-specific payment rules for procedures and services

The table on page 3 includes a list of the new policies, including the policy number, policy title, impacted lines of business, and a brief description.

### APPLICATION OF CLAIMS POLICIES

Health Net will apply these policies as medical claims reimbursement edits within Health Net's claims adjudication system, in addition to all other reimbursement processes Health Net currently employs.

These policies can be accessed via Health Net's provider operations manual online through the Health Net provider website at [provider.healthnet.com](http://provider.healthnet.com) under *Working with Health Net > Contractual > Policy Library > Go to the Provider Library*. Once in the Provider Library, go to *Operations Manuals > Claims Coding Policies > Payment Integrity Policies*.

THIS UPDATE APPLIES TO

#### CAL MEDICCONNECT PROVIDERS:

- Physicians
- Participating Physician Groups
- Hospitals
- Ancillary Providers

#### PROVIDER SERVICES

[provider\\_services@healthnet.com](mailto:provider_services@healthnet.com)  
Los Angeles County – 1-855-464-3571  
San Diego County – 1-855-464-3572  
[www.healthnet.com](http://www.healthnet.com)

#### PROVIDER COMMUNICATIONS

[provider.communications@healthnet.com](mailto:provider.communications@healthnet.com)  
fax 1-800-937-6086

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## ADDITIONAL INFORMATION

Relevant sections of the Health Net provider operations manuals will be revised to reflect the information contained in this update, as applicable. Provider operations manuals are available electronically in the Provider Library, located on Health Net's provider website at [provider.healthnet.com](http://provider.healthnet.com).

If you have questions regarding the information contained in this update, contact the Health Net Provider Services Center by county within 60 days at:

Line of Business	Telephone Number	Email Address
CAL MEDICCONNECT – LOS ANGELES COUNTY	1-855-464-3571	provider_services@healthnet.com
CAL MEDICCONNECT – SAN DIEGO COUNTY	1-855-464-3572	

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### Access to Health Net's Provider Portals

Health Net migrated certain functions from existing systems to new systems effective January 1, 2018, starting with individual Medicare Advantage (MA) and Individual Family Plan (IFP) products. Providers can access the Health Net provider portals at:

- [provider.healthnetcalifornia.com](http://provider.healthnetcalifornia.com) for individual MA and IFP members.
- [provider.healthnet.com](http://provider.healthnet.com) for employer group MA HMO, HMO, PPO (including EnhancedCare PPO for small business groups), EPO, POS, Medi-Cal (including CalViva Health), and/or Cal MediConnect members.

## PAYMENT INTEGRITY POLICIES

Policy Number	Policy Name	Line of Business	Description
CC.PP.053	Non-Emergent Emergency Room Services	Medi-Cal, Medicare, Cal MediConnect	The purpose of this policy is to define payment criteria for non-emergent emergency room services. When a hospital, free-standing emergency center or physician bills a level 4 (99284) or level 5 (99285) emergency room service with a non-emergent diagnosis, Health Net will reimburse the provider at a level 3 (99283) contracted reimbursement rate.
CC.PP.054	Physician's Consultation Services	Medi-Cal	<p>The purpose of this policy is to define payment criteria for consultation services. Health Net will reimburse consultation codes at the corresponding evaluation and management (E&amp;M) visit level. The provider should bill the E&amp;M code (other than the consultation code) that describes the service provided.</p> <p>Health Net will identify consultation codes 99241-99255 and crosswalk them to the more appropriate level of office visit, established patient or subsequent hospital care procedure code (see actual policy for codes). The provider will be paid according to the fee schedule for the equivalent procedure code.</p>
CC.PP.057	Problem-Oriented Visits with Preventative Visits	Medi-Cal, Medicare, Cal MediConnect	<p>The purpose of this policy is to define payment criteria for problem-oriented visits when billed with preventative visits. Under modifier -25 correct coding principles, a patient may be seen by the physician for both a preventative E&amp;M service and a problem-oriented E&amp;M service during the same patient encounter.</p> <p>Providers do not incur duplicate indirect expenses with the original E&amp;M (preventative service) when there is a problem-oriented visit on the same date of service. For example, obtaining vital signs, scheduling the visits, staffing, lighting, and supplying the examination room costs are not incurred twice by the provider. Health Net will reimburse the preventative medicine code plus 50 percent of the problem-oriented E&amp;M code.</p>
CC.PP.052	Problem-Oriented Visits with Surgical Procedures	Medi-Cal, Medicare, Cal MediConnect	<p>The purpose of this policy is to define payment criteria for problem-oriented visits when billed on the same day as a surgical procedure. Under modifier -25 correct coding principles, a patient may be seen by the physician for a problem-oriented E&amp;M service on the same day of a procedure with a 0-, 10- or 90-day global surgical period.</p> <p>Providers do not incur duplicate indirect expenses with the problem-oriented E&amp;M service when there is a surgical procedure on the same date of service. For example, obtaining vital signs, scheduling the visits, staffing, lighting, and supplying the examination room costs are not incurred twice by the provider. Health Net will reimburse the surgical procedure plus 50 percent of the problem-oriented E&amp;M code.</p>

