PROVIDER*Update*

Health Net Implements New Payment Integrity Policies

Policies effective as of December 27, 2018

In order to improve affordability for our members and to encourage appropriate utilization of resources and the highest quality of treatment, Health Net of California, Inc., Health Net Community Solutions, Inc. and Health Net Life Insurance Company (Health Net) are implementing two new policies for all lines of business, effective December 27, 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 (AMA'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 2 includes a list of the new policies, including the policy number, policy title, a brief description, and impacted lines of business.

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 at the following sites:

- Health Net providers serving individual Medicare Advantage (MA) and Individual Family Plan (IFP) members can access the Health Net provider operations manual through the new Health Net provider website at provider.healthnetcalifornia.com.

THIS UPDATE APPLIES TO **CALIFORNIA** PROVIDERS:

- Physicians
- Participating Physician Groups
- Hospitals
- Ancillary Providers

LINES OF BUSINESS:

- HMO/POS/HSP
- PPO
- EPO
- Medicare Advantage (HMO)
- Medi-Cal
  - Kern
  - Los Angeles
    - Molina
  - Riverside
  - Sacramento
  - San Bernardino
  - San Diego
  - San Joaquin
  - Stanislaus
  - Tulare

PROVIDER SERVICES
provider_services@healthnet.com

EnhancedCare PPO (IFP)
1-844-463-8188
provider.healthnetcalifornia.com
EnhancedCare PPO (SBG)
1-844-463-8188
provider.healthnet.com
Health Net Employer Group HMO, POS, HSP, PPO, & EPO
1-800-641-7761
provider.healthnet.com
IFP – CommunityCare HMO, PPO, PureCare HSP, PureCare One EPO
1-888-926-2164
provider.healthnetcalifornia.com
Medicare (individual)
1-800-929-9224
provider.healthnetcalifornia.com
Medicare (employer group)
1-800-929-9224
provider.healthnet.com
Medi-Cal – 1-800-675-6110
provider.healthnet.com

PROVIDER COMMUNICATIONS
provider.communications@healthnet.com
fax 1-800-937-6086

Select product type; on the Home screen, under Welcome, select *Resources > Contractual > Go to the Provider Library*. Once in the Provider Library, go to *Operations Manuals > Claims Coding Policies > Payment Integrity Policies*.

- Health Net providers serving employer group HMO, Point of Service (POS), HSP, PPO, and EPO members; MA employer group members, and Medi-Cal members can access the Health Net provider operations manual through the original Health Net provider website at 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*.

PAYMENT INTEGRITY POLICIES

Policy Number	Policy	Policy Description	Line of Business
CC.PP.056	Payment Policy: Urine Specimen Validity Testing	The purpose of this policy is to define payment criteria for urine specimen validity testing to be used in making payment decisions and administering benefits. Adulteration testing is the tampering or manipulation of a urine specimen with the intention of altering the test results. This tampering can cause false negative results by destroying drugs present in the urine sample and/or interfering with drug screening results.	Commercial,* Medicare, Medi-Cal, Cal MediConnect
CC.PP.063	Transparency Policy: Place of Service Mismatch	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 within each individual health plan.	Commercial,* Medicare, Medi-Cal, Cal MediConnect

*Commercial includes HMO, POS, HSP, PPO, EPO, and products offered through Covered California.

ADDITIONAL INFORMATION

Relevant sections of Health Net's provider operations manuals have been 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 as listed in the right-hand column on page 1.

If you have questions regarding the information contained in this update, contact the Health Net Provider Services Center by email at provider_services@healthnet.com within 60 days, by telephone or through the Health Net provider website as listed in the right-hand column on page 1.