



Administrative Policy

Subject: Fee Schedule Development and Maintenance

Effective Date: December 14, 2020

Disclaimer

These policies serve as a guide to assist you in accurate claims submissions and to outline the basis for reimbursement if the service is covered by a member's Wellpoint Life and Health Insurance Company (Wellpoint) benefit plan. The determination that a service, procedure, item, etc. is covered under a member's benefit plan is not a determination that you will be reimbursed. Services must meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis as well as to the member's state of residence. You must follow proper billing and submission guidelines. You are required to use industry standard, compliant codes on all claim submissions. Services should be billed with Current Procedure Terminology (CPT) codes, Healthcare Common Procedure Coding System (HCPCS) codes and/or Revenue codes. The codes denote the services and/or procedures performed. The billed code(s) are required to be fully supported in the medical record and/or office notes. Unless otherwise noted within the policy, our policies apply to both Participating and Non-Participating providers. If appropriate coding/billing guidelines or current reimbursement policies are not followed, Wellpoint may:

- Reject or deny the claim
- Recover and/or recoup claim payment

These policies may be superseded by Provider or State contract language, or State, Federal requirements or mandates. We strive to minimize delays in policy implementation. If there is a delay, we reserve the right to recoup and/or recover claims payment to the effective date, in accordance with the policy. Wellpoint reserves the right to review and revise these policies periodically when necessary. When there is an update we will publish the most current policy to the website.

Background

Professional fee schedules (PFS) are based on Centers for Medicaid & Medicare Services (CMS) PFS Relative Value Units (RVU), adjusted for geographic region (GPCIs). Typically, the Facility and Non-Facility RVUs are being used to distinguish reimbursement by site of service. The base unit values are constructed using Metro Boston area GPCIs as of a certain date.

Purpose

Base unit values and new codes are Global Surgical Reimbursement Methodology developed and added by CMS on an annual basis at the beginning of the calendar year as well as other times throughout the calendar year. The new codes will be assigned values based on the RVU and GPCI at their inception. They will be added to the current base unit value file. Once a code is on the base, its unit value will not change.

Policy

Maintenance of the Schedule

Wellpoint shall use commercially reasonable efforts to update all applicable new and updated codes within sixty (60) days of release by CMS or other applicable authority. When billing codes are updated, Provider is required to use appropriate replacement codes for claims for Covered Services. If Provider bills a revised code prior to the effective date of the revised code, the claim will be rejected or denied and provider will need to resubmit claim with correct code. In addition, claims with codes which have been deleted will be rejected or denied.

Default Percentage

Any codes not on a schedule will be paid at a percentage of the eligible billed charge. The default percentage is a part of the negotiated reimbursement.

Other Reimbursement

Reimbursement for certain drugs, vaccines and billable supplies, is based on CMS Average Selling Price ASP values and this schedule is updated quarterly.

Anesthesia reimbursement is based on the CMS units and the negotiated anesthesia rate. Allowed amount is Anesthesia Rate x (Unit value plus the number of 15-minute increments during the procedure).

Use of Reimbursement Policy

This policy is subject to federal and state laws, to the extent applicable, as well as the terms, conditions, and limitations of a member's benefits on the date of service. Reimbursement Policy is constantly evolving and we reserve the right to review and update these policies periodically. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, or otherwise, without permission from Wellpoint.