

Procedure 1216- Reduced Services Reimbursement

Lines of Business: All

Purpose: This guideline describes Network Health's reimbursement for medical services billed with the reduced services modifier.

Procedure: Network Health does not reduce the reimbursement of services when the reduced services modifier is billed.

The term "reduced services" is used to reference a service or procedure that is partially reduced or eliminated at the physician's direction. When this occurs the service provided can be identified by its usual procedure code and adding the reduced services modifier, which indicates the service is reduced. This provides a means of reporting the reduced services without disturbing the identification of the basic service.

Appropriate usage of reduced services modifier includes:

- Procedures for which services performed are significantly less than usually required.
- Report the service provided with the reduced services modifier and the original charge.
- Services modified at the physician's discretion to be less than the usual procedure, and
- When the documentation describing the service fully supports that the service furnished was less than usually required.

The reduced services modifier should not be used in the following instances: on Evaluation and Management (E/M) services; the elective cancellation of a procedure before anesthesia; intravenous conscious sedation; and/or surgical preparation in the operating room. In addition, it is not appropriate to use this modifier if a portion of the intended procedure was completed and a code exists which represents the completed portion of the intended procedure.

This guideline is not a guarantee of coverage or payment. The claim(s) will be denied if it does not meet with all the terms and provisions of the members Certificate of Coverage. Actual benefits will be determined when the claim(s) or bill(s) are submitted to NHP/NHIC/NHAS. NHP/NHIC/NHAS reserves the right to periodically review and update all claim guidelines, policies and procedures.

HMO plans underwritten by Network Health Plan. POS Plans underwritten by Network Health Insurance Corporation, or Network Health Insurance Corporation and Network Health Plan. Self-funded HMO and POS plans administered by Network Health Administrative Services, LLC.

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