



# Place of Service

Reimbursement Policy ID: RPC.0063.SCM1

Recent review date: 12/2023

Next review date: 11/2025

*First Choice VIP Care Plus reimbursement policies and their resulting edits are based on guidelines from established industry sources, such as the Centers for Medicare & Medicaid Services (CMS), the American Medical Association (AMA), state and federal regulatory agencies, and medical specialty professional societies. Reimbursement policies are intended as a general reference and do not constitute a contract or other guarantee of payment. First Choice VIP Care Plus may use reasonable discretion in interpreting and applying its policies to services provided in a particular case and may modify its policies at any time.*

*In making claim payment determinations, the health plan also uses coding terminology and methodologies based on accepted industry standards, including Current Procedural Terminology (CPT); the Healthcare Common Procedure Coding System (HCPCS); and the International Classification of Diseases, 10th Revision, Clinical Modification (ICD-10-CM), and other relevant sources. Other factors that may affect payment include medical record documentation, legislative or regulatory mandates, a provider's contract, a member's eligibility in receiving covered services, submission of clean claims, and other health plan policies, and other relevant factors. These factors may supplement, modify, or in some cases supersede reimbursement policies.*

*This reimbursement policy applies to all health care services billed on a CMS-1500 form or its electronic equivalent, or when billed on a UB-04 form or its electronic equivalent.*

## Policy Overview

Place of service (POS) codes are two-digit numeric characters that describe where a service was rendered. The POS code list is maintained by the Centers for Medicare & Medicaid Services (CMS). This code set serves as the national standard for the electronic transmission of professional health care claims under the provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

## Exceptions

N/A

## Reimbursement Guidelines

First Choice VIP Care Plus will reimburse for eligible services that are billed using Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding System (HCPCS) when submitted according to

CPT or HCPCS code descriptions and/or guidelines. If indicated, services must be submitted with the corresponding POS as described by the submitted CPT code for example, home visit E/M services (99341-99350) should be submitted with POS “12” (patient’s home). Example 2: CPT code 94002 would not be appropriate for reporting in an office or home POS because its code description identifies hospital inpatient or observation.

In addition to CPT and HCPCS code descriptions, First Choice VIP Care Plus uses the CMS National Physician Fee Schedule Relative Value File (NPFS RVU) indicators to make reimbursement determinations relative to POS. For example, the NPFS RVU file includes “Non-Facility NA” and “Facility NA” fields – indicating that the procedure is rarely or never performed in that setting. A value of “NA” in the Non-Facility NA field will result in a claim denial if the claim indicates the procedure was performed in the home setting, for example. First Choice VIP Care Plus will not reimburse claims with CPT and/or HCPCS codes that include an NPFS RVU indicator of “NA” when reported.

## Definitions

### Place of Service Code

A two-digit code used on health care professional claims to indicate the setting in which a service was provided.

**CMS National Physician Fee Schedule Relative Value File (NPFS RVU):** A public use file that contains information on services covered by the Medicare Physician Fee Schedule (MPFS). The file contains the associated relative value units (RVUs), a fee schedule status indicator, and various payment policy indicators needed for payment adjustment (e.g., payment of assistant at surgery, team surgery, bilateral surgery).

## Edit Sources

- I. Current Procedural Terminology (CPT) and associated publications and services.
- II. Centers for Medicare & Medicaid Services (CMS), [https://www.cms.gov/Medicare/Coding/place-of-service-codes/Place\\_of\\_Service\\_Code\\_Set\\_](https://www.cms.gov/Medicare/Coding/place-of-service-codes/Place_of_Service_Code_Set_) <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeeSched/PFS-Relative-Value-Files>

## Attachments

N/A

## Associated Policies

N/A

## Policy History

04/2024	Revised preamble
12/2023	Reimbursement Policy Committee Approval
08/2023	Policy implemented by First Choice VIP Care Plus removed from Policy History section
01/2023	Template revised <ul style="list-style-type: none"><li>• Revised preamble</li><li>• Removal of Applicable Claim Types table</li></ul>

	<ul style="list-style-type: none"><li>• Coding section renamed to Reimbursement Guidelines</li><li>• Added Associated Policies section</li></ul>
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