moda HEALTH	Reimbursement Policy Manual	Policy #:	RPM005
Policy Title:	Records Fees, Copying Fees		
Section:	Administrative	Subsection:	None

Scope: This policy applies to the following Medical (including Pharmacy/Vision) plans:

Companies:	☒ All Companies: Moda Partners, Inc. and its subsidiaries & affiliates ☐ Moda Health Plan ☐ Moda Assurance Company ☐ Summit Health Plan ☐ Eastern Oregon Coordinated Care Organization (EOCCO) ☐ OHSU Health IDS
Types of Business:	☒ All Types ☐ Commercial Group ☐ Commercial Individual ☐ Commercial Marketplace/Exchange ☐ Commercial Self-funded ☐ Medicaid ☐ Medicare Advantage ☐ Short Term ☐ Other: _____
States:	☒ All States ☐ Alaska ☐ Idaho ☐ Oregon ☐ Texas ☐ Washington
Claim forms:	☒ CMS1500 ☒ CMS1450/UB (or the electronic equivalent or successor forms)
Date:	☒ All dates ☐ Specific date(s): _____ ☐ Date of Service; For Facilities: ☐ n/a ☐ Facility admission ☐ Facility discharge ☐ Date of processing
Provider Contract Status:	☒ Contracted directly, any/all networks ☒ Contracted with a secondary network ☒ Out of Network

Originally Effective:	3/30/2005	Initially Published:	7/6/2011
Last Updated:	4/3/2024	Last Reviewed:	4/10/2024
Last update includes payment policy changes, subject to 28 TAC §3.3703(a)(20)(D)? No			
Last Update Effective Date for Texas:		4/10/2024	

Reimbursement Guidelines

A. General

1. For member plans originating in the state of Texas, reimbursement will be made for providing copies of medical records, not to exceed the amount required by current Texas state law.

2. For all other plans no separate payment will be made for the routine completion and mailing of claim forms, insurance billings or related medical records.

B. Documentation and Providing Records Included in Practice Expense Portion of RVU

1. Any costs associated with copying and providing needed records are considered a normal part of doing business for the provider or facility submitting the claim.

    a. Copy service or records service vendors must seek payment for their services from the facility or provider for whom they are copying and submitting records.

    b. Reimbursement for copying and providing records is included in the practice expense portion of the resource-based relative value units (RBRVUs) for the services listed on the claim and included in the reimbursement for those services if allowed. (RAND[4])

2. All information required to support the codes and services submitted on the claim is expected to be in the member's medical record and be available for review. The provider submitting the claim is responsible for providing upon request all pertinent information and records needed to support the services billed.

3. In addition, any costs associated with copying and providing needed records for purposes of quality reporting reviews are also considered a normal part of providing the services being reviewed for quality, and records copying fees are not eligible for separate reimbursement.

4. Copying fees may be separately reimbursed on an exception basis only when:

   a. During an on-site audit, individual consideration may be given in certain instances.

   b. Individual consideration may be given if a large volume of records is requested from a source other than the billing or rendering provider (e.g., for the purpose of reviewing subrogation cases).

5. Most member contracts also exclude "separate charges for the completion of records or claim forms and the cost of records."

6. Procedure code S9981 will be denied to provider responsibility as a bundled service, regardless of any other services billed. If no other services are billed for that date of service, S9981 is considered included in the services documented on the dates of service in the records.

7. Invoices received for records copying fees or similar charges will not be paid.

C. When Requested Records Are Not Received

If records are not received in a timely manner due to nonpayment of records copying fees, the records will be deemed not to exist, and the services being reviewed or audited will be denied as not documented.

1. Audit/review determinations of this nature are final and late records are not accepted.

2. Any deviation or exception to this policy is solely at our discretion.

Codes, Terms, and Definitions

Acronyms & Abbreviations Defined

Acronym or Abbreviation		Definition
AMA	=	American Medical Association
CCI	=	Correct Coding Initiative (see "NCCI")
CMS	=	Centers for Medicare and Medicaid Services
CPT	=	Current Procedural Terminology
DRG	=	Diagnosis Related Group (also known as/see also MS DRG)

Acronym or Abbreviation		Definition
HCPCS	=	Healthcare Common Procedure Coding System (acronym often pronounced as "hick picks")
HIPAA	=	Health Insurance Portability and Accountability Act
MPFS	=	Medicare Physician Fee Schedule
MS DRG	=	Medicare Severity Diagnosis Related Group (also known as/see also DRG)
NCCI	=	National Correct Coding Initiative (aka "CCI")
PE	=	Practice Expense
RBRVU	=	Resource-Based Relative Value Units (also known as/see also RVU)
RPM	=	Reimbursement Policy Manual (e.g., in context of "RPM052" policy number, etc.)
RVU	=	Relative Value Units (also known as/see also RBRVU)
UB	=	Uniform Bill

Definition of Terms

Term	Definition
Practice Expense	Practice expense is one of three components of the total RVU assigned to each procedure code on the Medicare Physician Fee Schedule. Practice expense RVUs represent resources beyond the direct work of the physician or practitioner which are typically required to provide the service described by a procedure code. (CMS[1], Burgette, et al[8]) Practice expense RVUs are broken into direct practice expense and indirect practice expense components. (RAND[4]) Practice expense (direct plus indirect components) accounts for about 41% of total/overall Medicare Physician Fee Schedule payments… (Pope & Burge[5])
Practice Expense, Direct	Direct practice expense includes non-physician clinical labor, disposable medical supplies, and medical equipment that are typically used to provide a service. (RAND[4])
Practice Expense, Indirect	Indirect PE relates to expenses such as administration, rent, and other forms of overhead that cannot be attributed to any specific service. Indirect practice expenses constitute a substantial portion of the RVUs allocated across the MPFS, averaging about 33% of the full RVU for a service. (RAND[4])

Procedure codes (CPT & HCPCS):

Code	Code Description
S9981	Medical records copying fee, administrative

Coding Guidelines & Sources - (Key quotes, not all-inclusive)

"In the current system, PE is broken into direct and indirect components. Direct PE includes non-physician clinical labor, disposable medical supplies, and medical equipment that are typically used to provide a service. Indirect PE relates to expenses such as administration, rent, and other forms of overhead that cannot be attributed to any specific service. Indirect practice expenses constitute a substantial portion of the RVUs allocated across the MPFS, accounting for roughly one-third (approximately $30 billion) of MPFS payments in fiscal year 2019, and it plays a significant role in how overall PE is distributed across services." (RAND[4])

"Practice expense-non-physician labor costs, office rental, equipment, supplies, and miscellaneous-accounts for about 41 percent of total [Medicare Fee Schedule] payments…" (Pope & Burge[5])

Cross References

A. This policy is also mentioned in the Moda Health Participating Provider Administrative Manual.

B. "Medical Records Documentation Standards." Moda Health Reimbursement Policy Manual, RPM039.

References & Resources

1. CMS. "Method for Computing Fee Schedule Amount." *Medicare Claims Processing Manual* (Pub. 100-4). Chapter 12 – Physician Practitioner Billing, § 20.1.

2. CMS. "Supplies." *Medicare Claims Processing Manual* (Pub. 100-4). Chapter 12 – Physician Practitioner Billing, § 20.4.4.

3. CMS. "Payment Due to Unusual Circumstances (Modifiers "-22" and "-52")." *Medicare Claims Processing Manual* (Pub. 100-4). Chapter 12 – Physician Practitioner Billing, § 20.4.6.

4. RAND Corporation. "Overview of the MPFS." Improving Practice Expense Data & Methods Town Hall – June 16, 2021 Read Ahead Materials, pp. 2-3. Last updated June 16, 2021; Last accessed January 26, 2022. Improving Data and Methods Related to Indirect Practice Expense in the Medicare Physician Fee Schedule: Read-ahead materials for the virtual Town Hall (cms.gov) .

5. Gregory C. Pope, M.S., and Russel T. Burge, Ph.D. "Allocating Practice Expense Under the Medicare Fee Schedule." Health Care Financing Review. Spring 1993, Volume 14, Number 3, Page 139. Allocating Practice Expense Under the Medicare Fee Schedule (cms.gov) .

6. Texas Department of Insurance (TDI). "Charge for Records Requested to Process Claims." Last updated September 2, 2020; last accessed January 26, 2022. Prompt Pay FAQ (texas.gov) .

7. Texas Medical Board (TMB). "Medical Records FAQs." Last updated September 2, 2020; last accessed January 26, 2022. https://www.tmb.state.tx.us/page/consumer .

8. Burgette, Lane F., et al. “Practice Expense Data Collection and Methodology: Phase II Final Report.” Santa Monica, CA: RAND Corporation, 2021. Last accessed October 4, 2022. https://www.rand.org/pubs/research_reports/RRA1181-1.html .

Background Information

The plan sometimes receives claims or invoices for “records fees,” “copying fees,” or other charges related to supplying records requested for benefit determination, claims adjudication, appeals, claim reviews, claims audits, etc.

IMPORTANT STATEMENT

The purpose of this Reimbursement Policy is to document our payment guidelines for those services covered by a member’s medical benefit plan. Healthcare providers (facilities, physicians, and other professionals) are expected to exercise independent medical judgment in providing care to members. Our Reimbursement Policy is not intended to impact care decisions or medical practice.

Providers are responsible for submission of accurate claims using valid codes from HIPAA-approved code sets and for accurately, completely, and legibly documenting the services performed. Billed codes shall be fully supported in the medical record and/or office notes. Claims are to be coded appropriately according to industry standard coding guidelines (including but not limited to UB Editor, AMA, CPT, CPT Assistant, HCPCS, DRG guidelines, CMS’ National Correct Coding Initiative [CCI] Policy Manual, CCI table edits and other CMS guidelines).

Benefit determinations will be based on the member’s medical benefit plan. Should there be any conflicts between our Reimbursement Policy and the member’s medical benefit plan, the member’s medical benefit plan will prevail. Fee determinations will be based on the applicable provider fee schedule, whether out of network or participating provider’s agreement, and our Reimbursement Policy.

Policies may not be implemented identically on every claim due to variations in routing requirements, dates of processing, or other constraints; we strive to minimize these variations.

***** The most current version of our reimbursement policies can be found on our provider website. If you are using a printed or saved electronic version of this policy, please verify the information by going to https://www.modahealth.com/medical/policies_reimburse.shtml *****

Policy History

Date	Summary of Update
4/10/2024	Formatting/Update: Cross References: Hyperlink updated.
7/12/2023	Formatting/Update: Cross References: Hyperlink added.

Date	Summary of Update
10/12/2022	Clarification/Update: Change to new header; includes Idaho. Acronym table: 2 entries added. Definition of Terms table: Added. Definitions adapted/paraphrased from references cited. References & Resources: 1 entry added. Policy History section: Added. Entries prior to 2022 omitted (in archive storage).
7/6/2011	Policy initially approved by the Reimbursement Administrative Policy Review Committee & initial publication.
3/30/2005	Original Effective Date (with or without formal documentation). Policy based on CMS RVU component information & documentation requirements for validation of services rendered.