

Update: UnitedHealthcare Z-Code Requirements

Overview

As of June 1, 2024, UnitedHealthcare (UHC) has updated its reimbursement policies, mandating the use of Z-codes for certain molecular diagnostic tests. This white paper details these updates and provides guidance on how healthcare providers can comply with the new requirements to avoid claim denials.

Key Updates from [UHC's May 2024 Reimbursement Policy Bulletin](#):

1. Effective Date and Scope:
 - a. The requirement for Z-codes will take effect on June 1, 2024. This applies to molecular diagnostic tests submitted for reimbursement under UHC commercial plans.
2. Phased Implementation:
 - a. UHC is implementing the Z-code requirement in phases. Initially, this will include adult molecular diagnostic tests relevant to the Medicare age population, prenatal carrier screening tests, and specific services billed under CPT® code 81479 (e.g., genetic disease carrier status and pharmacogenomics testing).
3. Test Registration and Coding:
 - a. Providers must register their tests with the DEX™ registry to obtain a Z-code. The initial review and Z-code assignment take approximately two weeks from the submission of the test. Providers will then receive a recommended CPT code to be used in conjunction with the Z-code on claims.
4. Documentation Requirements:
 - a. Additional documentation may be required depending on the complexity of the test. Providers should ensure all required information is submitted to avoid delays in Z-code assignment and subsequent reimbursement.
5. Error Correction and Support:
 - a. UHC will use Smart Edits to notify providers of any errors in electronic claims submissions within 24 hours. Providers can correct these errors using the Smart Edits guide available on the UHC provider portal. Support is also available through the Electronic Data Interchange (EDI) support team.

Implications for Providers

- Compliance: It is crucial for providers to comply with the new Z-code requirements to ensure uninterrupted reimbursement for molecular diagnostic tests.
- Training: Staff involved in billing and coding should be trained on the new requirements and the process for obtaining and using Z-codes.
- System Updates: Billing systems should be updated to include fields for Z-codes and to ensure they can handle the phased implementation smoothly.



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Action Steps for Providers

1. **Review Policy Updates:** Carefully review the UHC May 2024 reimbursement policy bulletin for detailed information on the new requirements.
2. **Register Tests:** Ensure all relevant tests are registered with the DEX registry and obtain Z-codes before the effective date.
3. **Update Billing Practices:** Incorporate Z-codes into your billing processes and ensure all relevant staff are aware of the new requirements.
4. **Monitor Claims:** Regularly audit claims to ensure compliance and quickly address any errors identified through Smart Edits.

Conclusion

The updated Z-code requirements by UnitedHealthcare represent a significant change in the billing process for molecular diagnostic tests. By staying informed and proactive, providers can ensure compliance, reduce the risk of claim denials, and maintain efficient billing practices.

For more detailed information, refer to the [UnitedHealthcare Reimbursement Policy Bulletin, May 2024](#) and other relevant updates on the UHC provider website.

This update aims to keep you informed of critical changes affecting your practice. Please contact your Practice Manager if you have any additional questions.