Facility Reimbursement of Respiratory Therapy Services

Last Updated: 11/10/2026 **Last Reviewed:** 11/19/2026 **Originally Effective:** 4/19/2017
Last update includes payment policy changes, subject to 28 TAC §3.3703(a)(20)(D)? No
If yes, Texas Last Update Effective Date: n/a **Policy #: RPM047**

Scope

Companies: Moda Partners, Inc. and its subsidiaries & affiliates (All) **Provider Contract Status:** Any
Claim Forms: CMS1500 & CMS1450 (paper and electronic versions) **Claim Dates:** All

Reimbursement Guidelines

A. General Policy Statements

1. For inpatient hospital services, reimbursement for Respiratory Services is limited to one unit or charge per date of service for each category below:
   a. Respiratory therapy performed by a respiratory therapist, regardless of how often care or therapy is provided that day.
   b. Invasive or non-invasive ventilator management, regardless of how often a respiratory therapist reviews the equipment settings.
   c. Concurrent use of more than one type of respiratory support (for example, mechanical ventilation and CPAP), unless clinical documentation supports the need for different levels of support.

   Additional units or charges for the same date of service are not separately reimbursable, regardless of variations in descriptions, HCPCS codes, or revenue codes.
2. Respiratory services performed by a registered nurse (RN), are included in room and board and are not reportable or reimbursable.
3. Inpatient hospitals may not receive or retain payment for non-reimbursable services not eligible for separate reimbursement.

B. Documentation requirements:

In the inpatient hospital setting, Respiratory Therapy must be supported by the following documentation:

1. A treating physician's signed written order.
2. Documentation in the patient's medical record that the respiratory service was rendered by a Respiratory Therapist.
3. The MAR/eMAR must document each administered inhaled medication and the name and licensure of person who administered it.
4. Any wasted medication (e.g., inhaled medication(s)) must be documented in the MAR/eMAR.

C. Respiratory Care (Respiratory Therapy) Services

Respiratory care (respiratory therapy) services may include, but are not limited to the following:

1. Techniques that support oxygenation and ventilation during acute illness (e.g., establishing or maintaining an artificial airway, ventilator therapy, precise oxygen delivery, and secretion removal).
2. Therapeutic use/monitoring of medicinal gases, pharmacologically active mists and aerosols, and equipment (e.g., resuscitators, ventilators)
3. Bronchial hygiene therapy (e.g., deep breathing, coughing exercises, intermittent positive pressure breathing (IPPB), postural drainage, chest percussion/vibration and other chest physiotherapy treatments, and nasotracheal or endotracheal suctioning)

4. Periodic assessment of the patient for the effectiveness of respiratory therapy services when not performed during a treatment session

D. Ventilator Management Respiratory Services

1. Ventilator Management may be billed for patients on a ventilator, CPAP, or BiPAP machine for any portion of the day outside of the Operating Room/Recovery Room.
2. Ventilator management by a respiratory therapist includes, but is not limited to, the following:
   a. Evaluation of changes in the patient's condition, particularly in situations where the patient's respiratory status is unstable and may change suddenly and unpredictably and require medical treatment.
   b. Changes in ventilator setting because of change in patient condition.

E. Respiratory Services Not Separately Billable, Not Eligible for Separate Reimbursement

The following are examples of inpatient facility respiratory therapy charges that are not separately billable or reimbursable:

1. Ventilator adjustments if performed by RN
2. Ventilator System set up or checks by respiratory therapist
3. Equipment Change (All Non-Invasive and Invasive) from one type of respiratory assist device to another
4. More than one type of respiratory support (for example: mechanical ventilation and CPAP) at the same time, unless there is clinical documentation to support that the member requires different levels of respiratory support.
5. Ventilator weaning and extubation
6. Spontaneous Breathing Screen/Trial
7. Setting or Device Adjustment of Non-emergent Non-Invasive
8. Setting or Device Adjustment of Emergent Non-Invasive
9. Setting Adjustment - Invasive Mechanical Ventilation
10. Transport/MRI Ventilator Use During Invasive Mechanical Ventilation
11. Transport on Vent by Respiratory during an inpatient/outpatient stay
12. Ventilator Circuit Change - Invasive Mechanical Ventilation
13. Therapeutic Ventilatory Maneuver (Recruitment Maneuver)
14. Oral Care (Vent Bundle, Vent-Acquired Pneumonia Prevention Activities)
15. Supplemental Oxygen System-Setup
16. Supplemental Oxygen Patient/System-Assessment
17. Supplemental Oxygen Equipment Change
18. Heated Humidified High-Flow Nasal Cannula System-Setup
19. Heliox by Ventilator - Initial Setup
20. Specialty Gas Cylinder Change
21. Static Pressure/Volume Loop
22. Diaphragmatic EMG Sensor Catheter Placement
23. Esophageal Pressure Monitoring via Esophageal Balloon Catheter
24. FRC (Functional Residual Capacity) Determination During Mechanical Ventilation
25. Esophageal Balloon Catheter Placement

26. Respiratory Assessment and/or Respiratory Protocol Assessment, whenever performed (with or without treatment)
27. Respiratory therapy instruction on equipment or techniques, such as incentive spirometers or other breathing devices. The education is included in the treatment and is not separately reimbursable.
28. Saline diluents used with/for inhalation treatment
29. Tracheostomy Tube Care
30. Assist with intubation charge in addition to intubation charge
31. External Chest Wall Oscillation (may or may not include manipulation of chest wall, substernal intrapulmonary percussion)
32. Placement or Change of In-line Suction Catheter
33. Oximetry Check and/or Trending when done by routine monitor
34. Continuous inhalation treatment charges when continuous aerosolized medication delivery is not documented or administered.
35. End Tidal Carbon Dioxide System-Setup and/or monitoring (expired gas determination)
36. Transcutaneous Monitoring Initial System Setup and/or monitoring
37. Patient Monitoring During Percutaneous Tracheotomy
38. Monitoring During Laryngoscopy Assistance
39. Monitoring During Therapeutic Bronchoscopy
40. Monitoring Patient Airway for Conscious Sedation
41. Monitoring Patient During Cardioversion or Cath Lab Intervention
42. Monitoring During Early Mobilization of Ventilator Patient
43. Monitoring During Rapid Response Team Notification
44. Inpatient Sleep Apnea Monitoring System-Setup and monitoring
45. Bedside Pulmonary Mechanics
46. Patient Screening for Sleep Apnea
47. Endotracheal Suctioning when done with treatments or on ventilator
48. Incentive Spirometry set up and demonstration for patient at bedside
49. CPAP/BiPAP charges for patient-owned CPAP/BiPAP machine services.
50. Surfactant administration when done by the physician
51. Mini Bronchoalveolar Lavage Test
52. RSV (respiratory syncytial virus) Culture - Nasopharyngeal Lavage
53. RSV Culture - Swab
54. Arterial Blood Sampling via Indwelling Catheter
55. Capillary Blood Gas Testing (see venipuncture policy)
56. Ventilator maintenance and calibration
57. Cleaning of internal or external components of ventilator

Definitions

Acronyms/Abbreviations

Acronym	Definition
BiPAP	Bilevel Positive Airway Pressure
CMS	Centers for Medicare and Medicaid Services
CPAP	Continuous Positive Airway Pressure
CPT	Current Procedural Terminology
eMAR	Medication Administration Record, electronic version
FRC	Functional Residual Capacity
HCPCS	Healthcare Common Procedure Coding System (acronym often pronounced as "hick picks")
IPPB	Intermittent Positive Pressure Breathing
LCD	Local Coverage Determination
MAR	Medication Administration Record
RC	Respiratory Care
RN	Registered Nurse
RPM	Reimbursement Policy Manual (e.g., in context of “RPM052” policy number, etc.)
RSV	Respiratory Syncytial Virus
RT	Respiratory Therapy
TAC	Texas Administrative Code

Definition of Terms

Term	Definition
Medication Administration Record (MAR or eMAR)	The report or document that serves as a record of the drugs administered to a patient at a facility by a health care professional. This document must contain the following minimum information: Patient first & last name, name of drug, dose of drug, route of administration, date of administration, time of administration, signature (name) and title of person administering. For single-use vials, if any drug wastage, note the amount wasted.
Respiratory Care (RC), Respiratory Therapy (RT)	Services prescribed by a physician or a non-physician practitioner for the assessment and diagnostic evaluation, treatment, management, and monitoring of patients with deficiencies and abnormalities of cardiopulmonary function.

Procedure codes (CPT & HCPCS)

Code	Code Description
94002	Ventilation assist and management, initiation of pressure or volume preset ventilators for assisted or controlled breathing; hospital inpatient/observation, initial day
94003	Ventilation assist and management, initiation of pressure or volume preset ventilators for assisted or controlled breathing; hospital inpatient/observation, each subsequent day
94004	Ventilation assist and management, initiation of pressure or volume preset ventilators for assisted or controlled breathing; nursing facility, per day
94010	Spirometry, including graphic record, total and timed vital capacity, expiratory flow rate measurement(s), with or without maximal voluntary ventilation
94011	Measurement of spirometric forced expiratory flows in an infant or child through 2 years of age
94012	Measurement of spirometric forced expiratory flows, before and after bronchodilator, in an infant or child through 2 years of age

Code	Code Description
94013	Measurement of lung volumes (ie, functional residual capacity [FRC], forced vital capacity [FVC], and expiratory reserve volume [ERV]) in an infant or child through 2 years of age
94060	Bronchodilation responsiveness, spirometry as in 94010, pre- and post-bronchodilator administration
94070	Bronchospasm provocation evaluation, multiple spirometric determinations as in 94010, with administered agents (eg, antigen[s], cold air, methacholine)
94150	Vital capacity, total (separate procedure)
94200	Maximum breathing capacity, maximal voluntary ventilation
94250	Expired gas collection, quantitative, single procedure (separate procedure)
94375	Respiratory flow volume loop
94400	Breathing response to CO2 (CO2 response curve)
94450	Breathing response to hypoxia (hypoxia response curve)
94610	Intrapulmonary surfactant administration by a physician or other qualified health care professional through endotracheal tube
94620	Pulmonary stress testing; simple (eg, 6-minute walk test, prolonged exercise test for bronchospasm with pre- and post-spirometry and oximetry)
94621	Pulmonary stress testing; complex (including measurements of CO2 production, O2 uptake, and electrocardiographic recordings)
94640	Pressurized or nonpressurized inhalation treatment for acute airway obstruction for therapeutic purposes and/or for diagnostic purposes such as sputum induction with an aerosol generator, nebulizer, metered dose inhaler or intermittent positive pressure breathing (IPPB) device
94642	Aerosol inhalation of pentamidine for pneumocystis carinii pneumonia treatment or prophylaxis
94644	Continuous inhalation treatment with aerosol medication for acute airway obstruction; first hour
94645	Continuous inhalation treatment with aerosol medication for acute airway obstruction; each additional hour (List separately in addition to code for primary procedure)
94660	Continuous positive airway pressure ventilation (CPAP), initiation and management
94662	Continuous negative pressure ventilation (CNP), initiation and management
94664	Demonstration and/or evaluation of patient utilization of an aerosol generator, nebulizer, metered dose inhaler or IPPB device
94667	Manipulation chest wall, such as cupping, percussing, and vibration to facilitate lung function; initial demonstration and/or evaluation
94668	Manipulation chest wall, such as cupping, percussing, and vibration to facilitate lung function; subsequent
94669	Mechanical chest wall oscillation to facilitate lung function, per session
94680	Oxygen uptake, expired gas analysis; rest and exercise, direct, simple
94681	Oxygen uptake, expired gas analysis; including CO2 output, percentage oxygen extracted
94690	Oxygen uptake, expired gas analysis; rest, indirect (separate procedure)
94726	Plethysmography for determination of lung volumes and, when performed, airway resistance
94727	Gas dilution or washout for determination of lung volumes and, when performed, distribution of ventilation and closing volumes
94728	Airway resistance by impulse oscillometry
94750	Pulmonary compliance study (eg, plethysmography, volume and pressure measurements)
94760	Noninvasive ear or pulse oximetry for oxygen saturation; single determination

Code	Code Description
94761	Noninvasive ear or pulse oximetry for oxygen saturation; multiple determinations (eg, during exercise)
94762	Noninvasive ear or pulse oximetry for oxygen saturation; by continuous overnight monitoring (separate procedure)
94770	Carbon dioxide, expired gas determination by infrared analyzer
94799	Unlisted pulmonary service or procedure

Related Policies

A. "Moda Health Reimbursement Policy Overview." Moda Health Reimbursement Policy Manual, RPM001.
B. "Routine Venipuncture and/or Collection of Specimens." Moda Health Reimbursement Policy Manual, RPM012.
C. "Drugs and Biologicals, Wastage and/or Discarded Amounts (Modifier JW)." Moda Health Reimbursement Policy Manual, RPM015.
D. "Hospital Routine Supplies and Services." Moda Health Reimbursement Policy Manual, RPM043.

Resources

1. Palmetto GBA. "Respiratory Therapy (Respiratory Care)." Local Coverage Determination (LCD) # L34430. Last updated 07/22/2021. Last accessed 6/28/2022. https://www.cms.gov/medicare-coverage-database/view/lcd.aspx?LCDId=34430&DocID=L34430 .
2. Noridian Administrative Services (NAS). "Routine Hospital Supplies and Services (Not Separately Billable)." Noridian - Part A Open Door Coverage Meeting Minutes October 29, 2009 Geographic Jurisdiction-Idaho/Oregon.
3. CMS. "RETIRED – Correct Coding and Coverage of Ventilators - Revised May 2016." Joint DME MAC Publication. These articles are written collaboratively by all DME MAC Medical Directors and posted on all DME MAC websites. Last updated 7/16/2020. Last accessed 6/28/2022. https://med.noridianmedicare.com/web/jddme/policies/dmd-articles/ventilators-0516 . See item # 10 below.
4. American Association for Respiratory Care (AARC) Uniform Reporting Manual for Respiratory Care-5th edition https://www.aarc.org/resources/tools-software/standards-development/ .
5. CMS. *National Correct Coding Initiative Policy Manual*. Chapter 1 General Correct Coding Policies, §B, "Coding Based on Standards of Medical/Surgical Practice", pages I-9. Revised 1/1/2017.
6. CMS. *National Correct Coding Initiative Policy Manual*. Chapter 11 – Medicine Evaluation And Management Services CPT Codes 90000 – 99999, §J.8-9, "Pulmonary Services", page XI-25. Revised 1/1/2017.
7. Nave, Shelley, RHIA CPC-H. "Hospital Supplies—To Bill or Not To Bill?" Coding & Compliance Focus News, December 2011: pages 3 – 5.
8. WAC. "Bedside Nursing Services." Washington State Legislature, WACs, Title 182, Chapter 182-550-1050 Hospital Services Definitions. Certified on August 11, 2021. Last accessed June 28, 2022. http://apps.leg.wa.gov/WAC/default.aspx?cite=182-550-1050 .
9. WAC. "Room and Board." Washington State Legislature, WACs, Title 182, Chapter 182-550-1050 Hospital Services Definitions. Certified on August 11, 2021. Last accessed June 28, 2022. http://apps.leg.wa.gov/WAC/default.aspx?cite=182-550-1050 .
10. CMS. "Correct Coding and Coverage of Ventilators - Revised July 2020." Joint DME MAC Publication. These articles are written collaboratively by all DME MAC Medical Directors and posted on all DME MAC websites. Last updated 7/16/2020. Last accessed 6/28/2022.

https://med.noridianmedicare.com/web/jddme/policies/dmd-articles/2020/correct-coding-and-coverage-of-ventilators-revised-july-2020 .
11. CMS. “Pulmonary Rehabilitation Services.” *Medicare Benefit Policy Manual* (Pub. 100-2). Chapter 1, Part 4, § 240.8.
12. NAS. “Respiratory Care (Respiratory Therapy).” Noridian Administrative Services (NAS). Local Coverage Determination (LCD) # L34149. Last updated October 1, 2019. Last accessed June 28, 2022. https://www.cms.gov/medicare-coverage-database/view/lcd.aspx?lcdid=34149&ver=43&keyword=Respiratory&keywordType=starts&areaId=all&docType=NCA,CAL,NCD,MEDCAC,TA,MCD,6,3,5,1,F,P&contractOption=all&sortBy=relevance&bc=1 .
13. Novitas. “Pulmonary Function Testing.” Novitas Solutions, Inc. Local Coverage Determination (LCD) # L35360. Last updated July 1, 2020. Last accessed June 28, 2022. https://www.cms.gov/medicare-coverage-database/view/lcd.aspx?lcdid=35360&ver=57&keyword=&keywordType=starts&areaId=s51&docType=F&contractOption=all&sortBy=relevance&bc=1 .

Policy History

Reminder: 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 current information by going to: https://www.modahealth.com/medical/policies_reimburse.shtml

Date	Summary of Update
11/19/2026	Acronyms updated. Minor re-wording. No policy changes.
8/13/2025	Acronyms & Related Policies updated. Coding Guidelines & Sources retired; refer to Resources. Formatting updates.
7/10/2024	Formatting updates. No policy changes.
7/12/2023	Enhanced definition of term “Medication Administration Record” for clarification. Formatting updates. No policy changes.
8/10/2022	Updated Acronyms, Coding Guidelines & Sources, and References & Resources. Formatting updates. No policy changes.
6/14/2017	Policy document initially approved by the Reimbursement Administrative Policy Review Committee & initial publication.
4/19/2017	Original Effective Date (with or without formal documentation). Policy based on CMS policy for pulmonary/respiratory services.