IMPORTANT STATEMENT

The purpose of Moda Health Reimbursement Policy is to document payment policy for covered medical and surgical services and supplies. Health care providers (facilities, physicians and other professionals) are expected to exercise independent medical judgment in providing care to members. Reimbursement policy is not intended to impact care decisions or medical practice.

Providers are responsible for accurately, completely, and legibly documenting the services performed. The billing office is expected to submit claims for services rendered using valid codes from HIPAA-approved code sets. Claims should 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 applicable member contract language. To the extent there are any conflicts between the Moda Health Reimbursement Policy and the member contract language, the member contract language will prevail, to the extent of any inconsistency. Fee determinations will be based on the applicable provider contract language and Moda Health reimbursement policy. To the extent there are any conflicts between Reimbursement Policy and the provider contract language, the provider contract language will prevail.

Scope
This policy applies to all Commercial medical plans, Medicare Advantage plans, and Oregon Medicaid/EOCCO plans.

Reimbursement Guidelines
The Moda Health clinical editing system is able to identify a specific list of modifiers that are appropriate to be billed with each five-digit procedure code. Although the procedure code is a valid procedure code and the modifier is a valid modifier, if the procedure and modifier combination is
not appropriate to be used together, the line item will deny as an invalid modifier combination. These edits are currently applied to claims billed on CMS1500 claim forms. Invalid modifier combinations on UB04/CMS1450 claims may or may not be identified and denied.

Valid modifier tables are configured based upon:
- CMS guidelines, where available, including the Medicare Physician Fee Schedule Database (MPFSDB) modifier indicators.
- CPT coding guidelines. Where instructions are explicit, all CPT notes and guidelines regarding the use of modifiers with a particular code are incorporated.
- Code definitions and modifier definitions.
- Clinically derived and/or general claim convention experience.
- Medical specialty society information.

Common explanation codes that may be used to deny invalid modifier combinations include:
  N27 = The modifier that was billed is invalid for the procedure. Please rebill.
  514 = The modifier that was billed is invalid for the procedure. Please rebill.

835 CARC/RARC combination:
  CARC – 4 = The procedure code is inconsistent with the modifier used or a required modifier is missing.
  RARC – none.

To remedy an invalid modifier combination denial:
- If a line item is denied for an invalid modifier combination, the claim cannot be adjusted based upon a phone call to Customer Service; a corrected claim will be needed. Records may need to accompany the corrected claim in some situations.
- If you believe the invalid modifier denial is incorrect, please submit a written provider appeal and include coding guidelines supporting why the procedure code and modifier combination should be considered valid.

Specific combination examples:
Example # 1:
  58720 = Salpingo-oophorectomy, complete or partial, unilateral or bilateral (separate procedure)
  This code is already priced as bilateral. Modifier 50 is not a valid modifier with this code. 58720-50 would deny for invalid modifier combination.

Example # 2:
  27506 = Open treatment of femoral shaft fracture, with or without external fixation, with insertion of intramedullary implant, with or without cerclage and/or locking screws
  Modifiers LT or RT would be valid for 27506 because there is a Right femur and a Left femur.
Example # 3:
20552 = Injection(s); single or multiple trigger point(s), one or two muscle(s)
Modifiers LT or RT are not valid for 20552 because trigger points and muscles exist throughout the body, not in only two paired locations.

Modifier-specific Guidelines

It is impossible to cover every possible modifier and/or combination in this document. However, the following information is offered to help address the most common questions and concerns submitted to Moda Health regarding invalid modifier combination denials.

<table>
<thead>
<tr>
<th>Modifier(s)</th>
<th>Moda Health Configuration &amp; Reimbursement Guidelines</th>
<th>Examples of combinations which will deny for invalid modifier combination</th>
</tr>
</thead>
<tbody>
<tr>
<td>24, 25</td>
<td>Modifiers 24 and 25 are valid on Evaluation and Management (E/M) procedure codes only.</td>
<td>Do not use modifiers 24 and 25 with surgical codes, medicine procedures, diagnostic tests and procedures, etc.</td>
</tr>
<tr>
<td>26</td>
<td>Modifier 26 is considered valid for procedures with a Professional Component (PC)/Technical Component (TC) Indicator of 1 or 6.</td>
<td>Do not use modifier 26 for procedures with a Professional Component (PC)/Technical Component (TC) Indicator of 0, 2, 3, 4, 5, 7, or 9.</td>
</tr>
<tr>
<td>TC</td>
<td>Modifier TC is considered valid for procedures with a Professional Component (PC)/Technical Component (TC) Indicator of 1.</td>
<td>Do not use modifier TC for procedures with a Professional Component (PC)/Technical Component (TC) Indicator of 0, 2, 3, 4, 5, 7, 8, or 9.</td>
</tr>
<tr>
<td>50</td>
<td>Modifier 50 is considered valid on codes that have a bilateral indicator of 1.</td>
<td>Do not use modifier 50 with procedure codes that have a bilateral indicator of 0, 2, 3, or 9 on the Physician Fee Schedule; another modifier should be used or the code is already priced as bilateral.</td>
</tr>
<tr>
<td>51</td>
<td>Modifier 51 is considered valid for procedures with a multiple procedure indicator of 2, 3, 4, 5, 6, or 7.</td>
<td>The CMS Physician Fee Schedule indicates that modifier 51 is not eligible to be used with the CMT codes (98940 - 98943). Moda Health will deny 98940 - 98943 for invalid modifier combination when billed with modifier 51.</td>
</tr>
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| 52         | Modifier 52 (reduced services) signifies that only part of the code description was performed, some parts were omitted. | Do not use modifier 52 with:  
- Evaluation and management codes.  
- When another code is available to describe a lesser service.  
- With an all-or-nothing procedure code.  
- With an unlisted code.  
(See modifier 52 Reimbursement Policy for more details.) |
| 58         | Modifier 58 is considered valid for procedures with a Global Days indicator setting of 000, 010, 090, or ZZZ. Modifier 58 is not considered valid for procedures with a Global Days indicator setting of XXX. | 99213-58 will be denied for invalid modifier combination. May not be used with E/M codes.  
Modifier 58 may not be appended to radiology codes, infusion administration codes, or other non-surgical codes. |
| 78         | Modifier 78 is considered valid for procedures with a Global Days indicator setting of 000, 010, 090, or ZZZ. Modifier 78 is not considered valid for procedures with a Global Days indicator setting of XXX. | 99213-78 will be denied for invalid modifier combination. May not be used with E/M codes.  
Modifier 78 may not be appended to radiology codes, infusion administration codes, or other non-surgical codes. |
| 79         | Modifier 79 is considered valid for procedures with a Global Days indicator setting of 000, 010, 090, or ZZZ. Modifier 79 is not considered valid for procedures with a Global Days indicator setting of XXX. | 99213-79 will be denied for invalid modifier combination. May not be used with E/M codes.  
Modifier 79 may not be appended to radiology codes, infusion administration codes, or other non-surgical codes. |
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<td>90</td>
<td>Modifier 90 = Reference (outside) laboratory</td>
<td>36415-90 will be denied for invalid modifier combination. A drawing fee or venipuncture cannot be referenced out to another lab so modifier 90 should not be reported with CPT code 36415. If the office performs venipuncture (36415) to send the specimen to an outside laboratory for tests, then they have performed the venipuncture, and it is not correct to attach modifier 90 to 36415.</td>
</tr>
<tr>
<td>LT, RT</td>
<td>Modifiers LT and RT are only considered valid for procedure codes specific to body parts that exist only twice in the body, once on the left and once on the right (paired body parts). For example, eye procedures (e.g. cataract surgery) and knee procedures (e.g. total knee replacement). Modifiers LT and RT should be used when a procedure was performed on only one side of the body, to identify which one of the paired organs was operated upon.</td>
<td>LT and RT are not considered valid for toe procedures, excision of lesions, tendon/ligament injections (20550), or needle placements, etc. (Use finger and toe modifiers for finger and toe procedure codes; use eyelid modifiers for eyelid procedures.) If the code description is for a structure that occurs multiple times on one side of the body (e.g. fingers, tendons, nerves, etc.) and is not specific enough for you to be able to mark on a body diagram where the left or right procedure is performed without looking at the medical record (e.g. place an “x” on the left shoulder for 73030-LT), then LT and RT are not valid modifiers. (Modifier -59 may be needed to indicate a separate lesion, separate nerve, separate tendon, etc. for non-paired procedure codes.)</td>
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<td>NU, RR</td>
<td>Modifiers NU and RR are only considered valid modifiers for procedure codes (items) that can be either rented or purchased. Modifiers NU and RR are used to clarify which method of use is being billed on a claim when the item is eligible for both rental and/or purchase (e.g. walker, crutches, standard wheelchairs, hospital bed). These are the only codes that will be allowed in combination with either NU or RR.</td>
<td>Do not use modifier NU for an item that cannot be rented. If the item is always purchased, clarification with modifier NU is not needed. It is unnecessary and redundant to use modifier NU for items that are always purchased. The code should be reported without the unnecessary modifier. Examples of items that are always purchased are: anything custom-molded, any supplies, any one-patient-only items such as wrist/leg braces, etc. Procedure codes for these items should be reported without modifier NU.</td>
</tr>
<tr>
<td>QW</td>
<td>Modifier QW is considered valid for procedure codes on the CMS list of CLIA waived lab tests</td>
<td>Do not use modifier QW for lab test procedure codes not on the CMS list of CLIA waived procedure codes</td>
</tr>
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</table>
| SG         | Modifier SG = ASC facility service  
Modifier SG is only valid for surgical codes | Do not use modifier SG with related HCPCS codes for DME, surgical implants, equipment used during the surgery, supplies etc. These items are related to the surgery, and in some cases are eligible for separate reimbursement, but they are not facility fees. |

**Background Information**

Modifiers are two-character suffixes (alpha and/or numeric) that are attached to a procedure code. CPT modifiers are defined by the American Medical Association (AMA). HCPCS Level II modifiers are defined by the Centers for Medicare and Medicaid Services (CMS). Like CPT codes, the use of modifiers requires explicit understanding of the purpose of each modifier.
Modifiers provide a way to indicate that the service or procedure has been altered by some specific circumstance, but has not been changed in definition or code. Modifiers are intended to communicate specific information about a certain service or procedure that is not already contained in the code definition itself. Some examples are:

- To differentiate between the surgeon, assistant surgeon, and facility fee claims for the same surgery
- To indicate that a procedure was performed bilaterally
- To report multiple procedures performed at the same session by the same provider
- To report only the professional component or only the technical component of a procedure or service
- To designate the specific part of the body that the procedure is performed on (e.g. T3 = Left foot, fourth digit)
- To indicate special ambulance circumstances

More than one modifier can be attached to a procedure code when applicable. Not all modifiers can be used with all procedure codes.

Modifiers do not ensure reimbursement. Some modifiers increase or decrease reimbursement; others are only informational.

Modifiers are not intended to be used to report services that are "similar" or "closely related" to a procedure code. If there is no code or combination of codes or modifier(s) to accurately report the service that was performed, provide written documentation and use the unlisted code closest to the section which resembles the type of service provided to report the service.

**Selected Modifier Definitions**

<table>
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<tr>
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<th>Description</th>
</tr>
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<tr>
<td>24</td>
<td>Unrelated evaluation and management service by the same physician or other qualified health care professional during a postoperative period.</td>
</tr>
<tr>
<td>25</td>
<td>Significant, separately identifiable evaluation and management service by the same physician or other qualified health care professional on the same day of the procedure or other service</td>
</tr>
<tr>
<td>26</td>
<td><strong>Professional Component:</strong> Certain procedures are a combination of a physician component and a technical component. When the physician component is reported separately, the service may be identified by adding the modifier 26 to the usual procedure number.</td>
</tr>
</tbody>
</table>
Technical Component. Under certain circumstances, a charge may be made for the technical component alone. Under those circumstances the technical component charge is identified by adding modifier TC to the usual procedure number. Technical component charges are institutional charges and not billed separately by physicians. However, portable x-ray suppliers only bill for technical component and should utilize modifier TC. The charge data from portable x-ray suppliers will then be used to build customary and prevailing profiles.

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</tr>
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<tr>
<td>TC</td>
<td>Technical Component. A charge may be made for the technical component alone.</td>
</tr>
<tr>
<td>LT</td>
<td>Left side (used to identify procedures performed on the left side of the body)</td>
</tr>
<tr>
<td>RT</td>
<td>Right side (used to identify procedures performed on the right side of the body)</td>
</tr>
<tr>
<td>NU</td>
<td>New equipment</td>
</tr>
<tr>
<td>RR</td>
<td>Rental (use the RR modifier when DME is to be rented)</td>
</tr>
<tr>
<td>QW</td>
<td>CLIA waived test</td>
</tr>
</tbody>
</table>

Coding Guidelines

“Modifiers -LT or -RT apply to codes which identify procedures which can be performed on paired organs, e.g., ears, eyes, nostrils, kidneys, lungs, and ovaries.” (Bolded font added.) (CMS1)

“Modifiers LT and RT
LT (Left) and RT (Right)
Identifies procedures performed on paired organs, e.g., eyes, ears, nostrils, kidneys, etc.
- Used for procedure performed on one side only.
- Identifies which side procedure was done on.”

(Bolded font added.) (NHIC, Corp. Medicare Services ²)

“Use modifiers -LT or -RT only when a procedure is performed on one side of the body and is a paired organ (e.g. lungs, kidneys, ears or ovaries). Modifiers -LT and -RT should also be used when the procedures performed are similar but not identical and are both performed on paired body parts. For example, a patient has a lesion removed from the left breast and a biopsy of a lesion of the right breast. In this instance, assign 19120 with modifier -LT and 19100 with modifier -RT.” (Bolded font added.) (Ingenix/Optum3)

“When a physician does a procedure on a paired organ, there is the possibility that the coder should use an -RT or -LT modifier to define the side. In general, use a -50 modifier when the physician performs a procedure on both organs in a pair..... If the lesion was on the left side of the back, that doesn't matter. There is only one back....Here's an example of an appropriate use for one of these types of modifiers: When you assign a CPT code to the excision of a lesion of the left...
breast, you appropriately use 19120-LT. It's a paired organ and the code allows for use of this class of modifier.” (Bolded font added.) (Gold & Krauss⁴)

“Modifiers -LT and -RT, meanwhile, designate a procedure the physician performs on one side of paired organs (e.g., ears, eyes, kidneys) or, sometimes (as is usually the case in neurology), paired extremities (e.g., arms and legs).” (Bolded font added.) (The Coding Institute⁵)

“Modifiers LT and RT apply to codes that identify procedures that can be performed on paired organs such as ears, eyes, nostrils, kidneys, lungs, and ovaries. Modifier LT (left) and RT (right) are usually applied when a procedure is performed on only one side. ASCs use the appropriate modifier to identify which one of the paired organs was operated on. CMS requires these modifiers whenever appropriate.” (Bolded font added.) (medicalbillingcptmodifiers.com ⁶)

Cross References


References & Resources


