



Manual: Reimbursement Policy

Policy Title: Radiology Reductions for Technology Type - Modifiers FX and FY

Section: Modifiers

Subsection: Radiology

Date of Origin: 11/16/2017 **Policy Number:** RPM059

Last Updated: 7/26/2018 **Last Reviewed:** 8/10/2018

Scope

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

Reimbursement Guidelines

A. General

Effective for claims processed on July 1, 2018 and following, Moda Health will follow CMS in applying reductions for type of technology used in radiology services.

As required by CMS, Moda Health ensures that reimbursement for Medicare Advantage claims to out-of-network providers accepting Medicare is at least as good as Original Medicare reimbursement.

B. Modifier FX

Modifier FX designates X-ray imaging services that are taken using traditional x-ray film rather than digital radiography. Claims for X-rays using film are to include modifier FX.

For all lines of business:

1. When modifier FX is submitted with modifier TC (technical component), reimbursement will be at 80% of the TC allowable amount (20% reduction of technical component).
2. When modifier FX is submitted for a global service, reimbursement will be at 86% of the global service allowable.

C. Modifier FY

Modifier FY designates imaging services that are X-rays taken using computed radiography (including the X-ray component of a packaged service). (CMS³) Claims submitted by a provider, supplier, or

hospital outpatient department for imaging services using this technology, are to indicate this by appending modifier FY to the line item(s) for the applicable service(s).

For all lines of business:

1. When modifier FY is submitted with modifier TC (technical component), reimbursement will be at 93% of the TC allowable amount (7% reduction of technical component).
2. When modifier FY is submitted for a global service, reimbursement will be at 95% of the global service allowable.

Background Information

Beginning January 1, 2016, CMS instituted a payment reduction for modifier CT as a quality incentive to promote patient safety and public health. Effective January 1, 2017, CMS instituted a payment reduction for modifier FX as an incentive to move from traditional film imaging to digital radiography. Effective January 1, 2018, CMS instituted a payment reduction for modifier FY as an incentive to move from X-rays taken using computed radiography (including the X-ray component of a packaged service) to digital radiography.

Effective July 1, 2018, Moda Health follows these CMS policies as a part of our efforts to more closely align and standardize our processing with CMS policy.

Codes, Terms, and Definitions

Acronyms Defined

Acronym		Definition
AMA	=	American Medical Association
ASO	=	Administrative Services Only
CMS	=	Centers for Medicare and Medicaid Services
CPT	=	Current Procedural Terminology
EOCCO	=	Eastern Oregon Coordinated Care Organization
HCPCS	=	Healthcare Common Procedure Coding System
MPFSDB	=	(National) Medicare Physician Fee Schedule Database (aka RVU file)
RVU	=	Relative Value Unit

Definition of Terms

Term	Definition
Computed radiography technology	Cassette-based imaging which utilizes an imaging plate to create the image involved. (CMS ³)

Modifier Definitions:

Modifier	Modifier Definition
Modifier FX	X-ray taken using film
Modifier FY	X-ray taken using computed radiography technology/cassette-based imaging

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

“For claims billed with the FY modifier and another X-ray reduction modifier on the same line, contractors shall apply both reductions if applicable. The FY modifier reduction will be applied after the other reduction (for example, claims billed with both FX and FY modifier will have the FX modifier reduction applied first).” (CMS⁴)

Cross References

None.

References & Resources

1. CMS. “Payment Reduction for X-Rays Taken Using Film.” CMS Transmittal 3583/CR9727. August 12, 2016.
2. CMS. “Payment Reduction for X-Rays Taken Using Film.” MedLearn Matters MM9727. January 1, 2017.
3. CMS. “Payment Reduction for X-Rays Taken Using Computed Radiography.” CMS Transmittal 3820/CR10188. July 28, 2017.
4. CMS. “Payment Reduction for X-Rays Taken Using Computed Radiography.” MedLearn Matters MM10188. January 1, 2018.
5. CMS. *Medicare Claims Processing Manual* (Pub. 100-4). Chapter 13 – Radiology Services and Other Diagnostic Procedures, § 20.2.4.
6. CMS. *Medicare Claims Processing Manual* (Pub. 100-4). Chapter 13 – Radiology Services and Other Diagnostic Procedures, § 20.2.5.
7. CMS. *Medicare Claims Processing Manual* (Pub. 100-4). Chapter 13 – Radiology Services and Other Diagnostic Procedures, § 20.2.6.

IMPORTANT STATEMENT

The purpose of Moda Health Reimbursement Policy (formerly ODS Health Plan, Inc.) 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/NCCI) 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.