Payment Policy:Modifier to Procedure Code Validation: Payment Modifiers

Reference Number: LA.PP.028
Effective Date: 08/2020
Last Review Date: 04/2025

Coding Implications
Revision Log

See Important Reminder at the end of this policy for important regulatory and legal information.

Policy Overview
Medical Coding Modifiers are two characters appended to procedure codes to provide additional details about the medical procedure, service(s) or supply that was performed without changing or altering the American Medical Association (AMA) Current Procedural Terminology (CPT) definition of the procedure or the procedure code. The AMA publishes the list of Healthcare Common Procedure Coding System (HCPCS) Level I (CPT) Modifiers, while CMS publishes the list of HCPCS Level II Modifiers. Please refer to the definitions below, if needed.

In addition to maintaining accurate claim payment and reimbursement, using the appropriate modifiers is crucial for accurate coding and billing. The AMA, public-domain specialty societies, and the Centers for Medicare and Medicaid Services (CMS) decide whether payment modifiers are permissible for billing with specific procedure codes.

Pricing & Informational Modifiers
Modifiers are also placed into categories that include pricing and informational. A pricing modifier is a modifier that will change the pricing for the CPT or HCPCs code that was reported. It is recommended for pricing modifiers to be sequenced prior to informational. Statistical modifiers, also known as informational modifiers, are used when clinically appropriate and override CMS' National Correct Coding Initiative (NCCI) Procedure-to-Procedure (PTP) changes and offer details for the CPT or HCPCs code reported. They have no effect on claim price and enable payment for both codes in the coding pair.

When a Modifier is billed that is invalid for the procedure code billed, the claim line that contains the invalid modifier will be denied by code editing software as an Invalid Modifier to Procedure Code Combination. This policy is relevant to modifiers identified as affecting payment, also called payment modifiers.

As AMA stated, “A modifier provides the means to report or indicate that a service or procedure that has been performed has been altered by some specific circumstance but has not changed in its definition or code. Modifiers also enable healthcare professionals to effectively respond to payment policy requirements established by other entities.”

Application
This policy applies to Professional and Outpatient institutional claims.

Reimbursement
Claims Reimbursement Edit
Louisiana Healthcare Connections code editing software evaluates individual claim lines for invalid payment modifier to procedure code combinations.

The rule denies procedure codes when billed with a payment modifier that is inappropriate for the service billed or not clinically likely for the procedure code billed.

This rule reviews modifier to procedure code combinations on the current claim only and does not review historical claims.

Rationale for Edit
Providers should bill the correct payment modifier for the appropriate procedures.

Coding and Modifier Information
This payment policy references Current Procedural Terminology (CPT®). CPT® is a registered trademark of the American Medical Association. All CPT® codes and descriptions are copyrighted 2024, American Medical Association. All rights reserved. CPT codes and CPT descriptions are from current manuals and those included herein are not intended to be all-inclusive and are included for informational purposes only. Codes referenced in this payment policy are for informational purposes only. Inclusion or exclusion of any codes does not guarantee coverage. Providers should reference the most up-to-date sources of professional coding guidance prior to the submission of claims for reimbursement of covered services.

Modifier	Descriptor
22	Increased Procedural Services
23	Unusual Anesthesia
24	Unrelated Evaluation and Management Service by the Same Physician or Other Qualified Health Care Professional During a Postoperative Period
25	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
26	Professional Component
27	Multiple Outpatient Hospital E/M Encounters on the Same Date
32	Mandated Services
33	Preventive Service
47	Anesthesia by Surgeon
50	Bilateral Procedure
51	Multiple Procedures
52	Reduced Services
53	Discontinued Procedure
54	Surgical Care Only
55	Postoperative Management Only
56	Preoperative Management Only
57	Decision for Surgery

Modifier	Descriptor
58	Staged or Related Procedure or Service by the Same Physician During the Postoperative Period
59	Distinct Procedural Service
62	Two Surgeons
63	Procedure Performed on Infants less than 4 kg
66	Surgical Team
73	Discontinued Outpatient Hospital/Ambulatory Surgery Center (ASC) Procedure Prior to the Administration of Anesthesia
74	Discontinued Outpatient Hospital/Ambulatory Surgery Center (ASC) Procedure After Administration of Anesthesia
76	Repeat Procedure or Service by Same Physician or Other Qualified Health Care Professional
77	Repeat Procedure or Service by Another Physician or Other Qualified Health Care Professional
78	Unplanned Return to the Operating/Procedure Room by the Same Physician Following Initial Procedure for a Related Procedure During the Postoperative Period
79	Unrelated Procedure or Service by the Same Physician During the Postoperative Period
80	Assistant Surgeon
81	Minimum Assistant Surgeon
82	Assistant Surgeon (when qualified resident surgeon not available): The unavailability of a qualified resident surgeon is a prerequisite for use of modifier 82 appended to the usual procedure code number(s).
90	Reference (Outside) Laboratory
91	Repeat Clinical Diagnostic Laboratory Test
92	Alternative Laboratory Platform Testing
95	Synchronous Telemedicine Service Rendered Via a Real-Time Interactive Audio and Video Telecommunications System
96	Habilitative Services
97	Rehabilitative Services
99	Multiple Modifiers
AA	Anesthesia Services Performed Personally by Anesthesiologist
AD	Medical Supervision by a Physician: More than 4 Concurrent Anesthesia Procedures
AR	Physician Provider Services in a Physician Scarcity Area
AS	Physician Assistant, Nurse Practitioner, or Clinical Nurse Specialist Services for Assistant at Surgery
QK	Medical direction of two, Three, or four concurrent anesthesia procedures involving qualified individuals.
QS	Monitored anesthesia care service
QW	CLIA Waived Test
QX	CRNA Service : With Medical Direction by a Physician

Modifier	Descriptor
QY	Medical direction of one certified registered nurse anesthetist (CRNA) by an anesthesiologist.
QZ	CRNA Service: Without medical direction by a physician
TC	Technical Component
XE	Separate encounter, a service that is distinct because it occurred during a separate encounter
XP	Separate practitioner, a service that is distinct because it was performed by a different practitioner
XS	Separate structure, a service that is distinct because it was performed on a separate organ/structure
XU	Unusual non-overlapping service, the use of a service that is distinct because it does not overlap usual components of the main service

Definitions

1. *HealthCare Common Procedure Coding System* (HCPCS), Level I Modifiers: Also known as CPT modifiers consisting of two numeric digits. These modifiers are in the range of 22-99. The list is updated annually by the AMA.
2. *HealthCare Common Procedure Coding System* (HCPCS), Level II Modifiers: Also known as the HCPCS modifiers and consist of two alpha-numeric characters. These modifiers are in the range of AA-VP. The list is updated annually by the CMS.
3. *Modifier*: Two digit numeric or alpha-numeric descriptor that is used by providers to indicate that a service or procedure has been altered by a specific circumstance, but the procedure code and definition is unchanged.
4. *Modifiers Affecting Payment*: Modifiers which impact how a claim or claim line will be reimbursed.

Related Policies

- LA.PP.020 Distinct Procedural Modifiers

References

1. *Current Procedural Terminology (CPT®)*, 2024
2. https://www.cms.gov/Medicare/Coding/HCPCSReleaseCodeSets/Alpha-Numeric-HCPCS
3. *HCPCS Level II*, 2024 https://www.cms.gov/medicare/coding-billing/healthcare-commonprocedure-system/quarterly-update
4. https://www.cms.gov/medicare/coding-billing/ncci-medicare
5. *https://www.cms.gov/medicare/coding-billing/healthcare-common-procedure-system*
6. https://www.ama-assn.org/system/files/reporting-CPT-modifier-25.pdf

Revision History	Revision Date	Approval Date	Effective Date
Converted corporate to local policy.	08/15/20		
Annual Review; Updated: Link #2 in the reference section & dates from 2019 to 2021 Removed clinical and added payment policy in "Important Reminder" section	08/29/22		
Annual Review; Updated date in references.	06/16/23	9/13/23	10/13/23
Annual review; Updated Policy overview to describe the modifier classifications and usage. Added information to explain Pricing and Informational Modifiers. Changed Per AMA to "As AMA stated...". Updated HCPCS links and added CMS NCCI, and CPT modifier 25 links.	05/24	1/3/25	2/5/25
Annual review; no updates	04/25	4/29/25	4/29/25

Important Reminder

This payment policy has been developed by appropriately experienced and licensed health care professionals based on a review and consideration of currently available generally accepted standards of medical practice; peer-reviewed medical literature; government agency/program approval status; evidence-based guidelines and positions of leading national health professional organizations; views of physicians practicing in relevant clinical areas affected by this payment policy; and other available clinical information. LHCC makes no representations and accepts no liability with respect to the content of any external information used or relied upon in developing this payment policy. This payment policy is consistent with standards of medical practice current at the time that this payment policy was approved.

The purpose of this payment policy is to provide a guide to medical necessity, which is a component of the guidelines used to assist in making coverage decisions and administering benefits. It does not constitute a contract or guarantee regarding payment or results. Coverage decisions and the administration of benefits are subject to all terms, conditions, exclusions and limitations of the coverage documents (e.g., evidence of coverage, certificate of coverage, policy, contract of insurance, etc.), as well as to state and federal requirements and applicable LHCC administrative policies and procedures.

This payment policy is effective as of the date determined by LHCC. The date of posting may not be the effective date of this payment policy. This payment policy may be subject to applicable legal and regulatory requirements relating to provider notification. If there is a discrepancy between the effective date of this payment policy and any applicable legal or regulatory requirement, the requirements of law and regulation shall govern. LHCC retains the right to change, amend or withdraw this payment policy, and additional clinical policies may be developed and adopted as needed, at any time.

This payment policy does not constitute medical advice, medical treatment or medical care. It is not intended to dictate to providers how to practice medicine. Providers are expected to exercise

professional medical judgment in providing the most appropriate care, and are solely responsible for the medical advice and treatment of members. This payment policy is not intended to recommend treatment for members. Members should consult with their treating physician in connection with diagnosis and treatment decisions.

Providers referred to in this payment policy are independent contractors who exercise independent judgment and over whom LHCC has no control or right of control. Providers are not agents or employees of LHCC.

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