



Reimbursement Policy

Subject: Reimbursement for Reduced and Discontinued Services

Effective Date: 08/31/17	Committee Approval Obtained: 08/31/17	Section: Coding
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*****The most current version of the reimbursement policies can be found on our provider website. If you are using a printed version of this policy, please verify the information by going to <https://providers.amerigroup.com>. Under Quick Tools, select Reimbursement Policies > Medicaid/Medicare. Note: State-specific exemptions may apply. Please refer to the Exemptions section below for specific exemptions based on your state.*****

These policies serve as a guide to assist you in accurate claim submissions and to outline the basis for reimbursement if the service is covered by a member’s Amerigroup benefit plan. The determination that a service, procedure, item, etc. is covered under a member’s benefit plan is not a determination that you will be reimbursed. Services must meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis as well as to the member’s state of residence. You must follow proper billing and submission guidelines. You are required to use industry standard, compliant codes on all claim submissions. Services should be billed with CPT codes, HCPCS codes and/or revenue codes. The codes denote the services and/or procedures performed. The billed code(s) are required to be fully supported in the medical record and/or office notes. Unless otherwise noted within the policy, our policies apply to both participating and nonparticipating providers and facilities.

If appropriate coding/billing guidelines or current reimbursement policies are not followed, Amerigroup may:

- Reject or deny the claim.
- Recover and/or recoup claim payment.

Amerigroup reimbursement policies are developed based on nationally accepted industry standards and coding principles. These policies may be superseded by mandates in provider, state, federal or CMS contracts and/or requirements. System logic or setup may prevent the loading of policies into the claims platforms in the same manner as described; however, Amerigroup strives to minimize these variations.

Amerigroup reserves the right to review and revise our policies periodically when necessary. When there is an update, we will publish the most current policy to this site.

Policy	Amerigroup allows reimbursement to professional providers and facilities for reduced or discontinued services when appended with the appropriate modifier, unless provider, state, federal or CMS contracts and/or requirements indicate otherwise. The following modifiers can be appended for reduced and discontinued services, if
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	<p>applicable:</p> <ul style="list-style-type: none"> • Modifier 52: Indicates procedures for which services performed are partially reduced or eliminated. Reimbursement is reduced to 50 percent of the applicable fee schedule or contracted/negotiated rate. Do not report Modifier 52 on evaluation and management (E&M) and consultation codes. • Modifier 53: Indicates the physician elected to terminate a surgical or diagnostic procedure due to extenuating circumstances or that threatened the well-being of the patient. Reimbursement is reduced to 50 percent of the applicable fee schedule or contracted/negotiated rate. Modifier 53 is not applicable for facility billing and is not valid when billed with E&M or time-based codes. • Modifier 73: Indicates the physician cancelled the surgical or diagnostic procedure prior to administration of anesthesia and/or surgical preparation of the patient. Reimbursement is reduced to 50 percent of the applicable fee schedule or contracted/negotiated rate. Modifier 73 is not applicable for professional provider billing. • Modifier 74: Indicates a procedure was stopped after the administration of anesthesia or after the procedure was started. Reimbursement is 100 percent of the applicable fee schedule or contracted/negotiated rate. Modifier 74 is not applicable for professional provider billing. <p>If the reduced or discontinued procedure is performed with an assistant surgeon or in conjunction with multiple surgeries, assistant surgeon and/or multiple procedure rules and fee reductions apply. Amerigroup reserves the right to perform postpayment review of claims submitted with Modifiers 52, 53, 73 and 74.</p>
<p>Exemptions</p>	<ul style="list-style-type: none"> • Amerigroup in Florida, in compliance with Florida’s Agency for Health Care Administration Medicaid Services Coverage and Limitations handbooks: <ul style="list-style-type: none"> ○ Reimburses Modifier 53 at 25 percent. ○ Does not recognize Modifiers 73 or 74. • Amerigroup Kansas, Inc., in accordance with Kansas Department of Health and Environment: <ul style="list-style-type: none"> ○ Does not allow Modifier 52 to be billed with general ophthalmological services. ○ Does not allow reduction in reimbursement for Modifier 52. ○ Requires procedures with Modifier 53 to be subject to medical review and priced by individual consideration.

	<ul style="list-style-type: none"> • Amerigroup Washington, Inc., in compliance with Washington State Department of Social and Health Services and Washington State Health Care Authority: <ul style="list-style-type: none"> ○ Does not allow reduced reimbursement of claims with Modifier 52. ○ Only recognizes Modifier 53 for certain colonoscopy procedure and screening codes; for all other procedures the modifier is informational.
History	<ul style="list-style-type: none"> • Update due to regulatory directive: Kansas exemption added effective 06/01/18 • Biennial review approved and effective 08/31/17 • Effective 07/13/16: Kansas exemption added • Biennial review approved and effective 04/27/15: Policy language updated; Florida exemption updated; New Jersey exemption removed; Ohio exemption removed • Review approved 11/05/12: Washington exemption added • Initial approval 04/09/12 and effective 12/09/12: Policy adapted from Modifier 53: Discontinued Procedure #06-022
References and Research Materials	<p>This policy has been developed through consideration of the following:</p> <ul style="list-style-type: none"> • CMS • State Medicaid • Amerigroup state contracts • Optum 360, 2017 edition
Definitions	<ul style="list-style-type: none"> • General Reimbursement Policy Definitions
Related Policies	<ul style="list-style-type: none"> • Assistant at Surgery (Modifiers 80/81/82/AS) • Modifier Usage • Multiple and Bilateral Surgery: Professional and Facility Reimbursement
Related Materials	<ul style="list-style-type: none"> • None