Modifier -78

Policy REIMB-006

Origination Date: 09/17/2020

Reviewed/Revised Date: 12/13/2023

Next Review Date: 12/13/2024

Current Effective Date: 12/13/2023

Disclaimer:

1. Policies are subject to change in accordance with State and Federal notice requirements.
2. Policies outline coverage determinations for U of U Health Plans Commercial, CHIP and Healthy U (Medicaid) plans. Refer to the "Policy" section for more information.
3. Services requiring prior-authorization may not be covered, if prior-authorization is not obtained.
4. This Medical Policy does not guarantee coverage or payment of the service. The service must be a benefit in the member's plan and the member must be eligible for coverage at the time of service. Additional payment guidelines may be applied that are not included in this policy.

Description:

Modifier -78 is used to report the unplanned return to the operating/procedure room by the same physician following an initial procedure for a related procedure during the postoperative period. It may be necessary to indicate that another procedure was performed during the postoperative period of the initial procedure (unplanned procedure following initial procedure). When this procedure is related to the first surgical procedure, and requires the use of the operating/procedure room, it may be reported by adding the Modifier -78 to the related procedure.

Consistent with CMS and CPT, modifier -78 should be reported with procedure codes for treatment of postoperative complications that require a return trip to the operating room. Per CMS, an operating room is defined as a place of service specifically equipped and staffed for the sole purpose of performing procedures. The term operating room includes a cardiac catheterization suite, a laser suite and an endoscopy suite. It does not include a patient's room, a minor treatment room, a recovery room, or an intensive care unit (unless the patient's condition was so critical there would be insufficient time for transportation to an operating room.)

Policy Statement and Criteria

1. Commercial Plans/CHIP

U of U Health Plans may reimburse services surgical services appropriately appended with a modifier -78 at the reimbursement amount of 75% of the applicable U of U Health Plans fee schedule when ALL the following criteria are met:

A. The return to the operating room is unplanned.

B. The service is performed by same physician who performed the initial procedure.

C. The service is related to the initial procedure.

D. The service is performed during the postoperative period of the initial procedure (10-90 days).

Modifier -78 is not covered if appended to procedures having a Global Days Value of 010 or 090 which does not also have an Intraoperative Percentage in the CMS National Physician Fee Schedule Relative Value File.

U of U Health Plans will not apply a new global period to a procedure meeting the above requirements and reported with a modifier -78.

U of U Health Plans will NOT reimburse modifier -78 in conjunction with modifiers -76, -77, or -79 as these are inappropriate to bill together.

Note: If the unplanned return is for an unrelated procedure and both are performed by the same provider who performed the initial service, use Modifier -79 instead.

If the return to the operating room was planned or a staged procedure, use Modifier -58 instead.

2. **Medicaid Plans**

Coverage is determined by the State of Utah Medicaid program; if Utah State Medicaid has no published coverage position and InterQual criteria are not available, the U of U Health Plans Commercial criteria will apply. For the most up-to-date Medicaid policies and coverage, please visit their website at: https://medicaid.utah.gov/utah-medicaid-official-publications/ or the Utah Medicaid code Look-Up tool

CPT/HCPCS codes covered by Utah State Medicaid may still require further evaluation to determine medical necessity for coverage.

Clinical Rationale

According to the CMS, Medicare Claims Processing Manual, Chapter 12, Section 40.4C: “When a CPT code billed with Modifier -78 describes the services involving a return trip to the operating room to deal with complications, pay the value of the intraoperative services of the code that describes the treatment of the complications.”

Applicable Coding

Modifiers

Modifier -78 Unplanned Return to the Operating/Procedure Room by the Same Physician or Other Qualified Health Care Professional Following Initial Procedure for a Related Procedure During the Postoperative Period

References:

1. American Medical Association (AMA). Coding with Modifiers. 2020.
2. Centers for Medicare and Medicaid Services (CMS). Medicare Claims Processing Manual; chapter 12; Sections 40.2.A.5 and 40.4.C; "Physician/Non-physician Practitioners." Accessed September 2, 2020. Available at: https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c12.pdf
3. Centers for Medicare and Medicaid Services (CMS). "PFS Relative Value Files" Accessed September 2, 2020. Available at: https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeeSched/PFS-Relative-Value-Files
4. Current Procedural Terminology (CPT®) Professional Edition (Chicago, IL: American Medical Association: ©2020).