Modifiers -54, -55, -56

Policy REIMB-021

Origination Date: 06/09/2022

Reviewed/Revised Date: 06/26/2024

Next Review Date: 06/26/2025

Current Effective Date: 06/26/2024

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.
5. Provisions and terms of the provider contract may supersede this policy.

Description:

Physicians in a group practice should bill for the entire global package, if the physicians reassign benefits to the group and all services are performed by two or more physicians within the group. The physician who performs the surgery is shown as the performing physician.

When the entire surgical package is performed by two or more physicians not in a group practice, the charges are submitted separately. Modifiers identifying the portion of the package performed are appended and reimbursement is distributed based on the following modifiers:

- Modifier 54 – Surgical Care Only
- Modifier 55 – Postoperative Management Only
- Modifier 56 – Preoperative Management Only

Reimbursement is reduced because only one portion of the global surgical package is performed. The total of all the service components for preoperative, postoperative and surgical care is 100% of the global fee. The global surgical package pertains to major surgical procedures (those defined with a post-operative period of between 10 days and 90 days) and consists of the preoperative management, surgical care and postoperative management.

Policy Statement and Criteria

1. Commercial Plans/CHIP

U of U Health Plans reimburses for modifiers -54, -55, and -56 when circumstances of their billing meets CMS guidelines for coverage.

- **Modifier 54: Surgical Care Only**
  This modifier is used by a physician or other qualified health care professional who performs a surgical procedure and transferred the postoperative management to another provider.

- **Modifier 55: Postoperative Management Only**
  This modifier is used by the physician who provides postoperative care only.

- **Modifier 56: Preoperative Management Only**
  This modifier is used by a physician or other qualified health care professional who performs preoperative care but does not provide the intraoperative (surgical) or postoperative services.

Modifier Reimbursement Adjustments

Split Surgical Package Modifiers & Reimbursement Percentage		
54	Surgical Care Only	70% of the fee schedule
55	Postoperative Management Only	20% of the fee schedule
56	Preoperative Management Only	10% of the fee schedule

Invalid Procedure Code Split Care Modifier Combinations:

A. Modifiers 54, 55, or 56 are not considered valid for provider types to which the global surgery concept and postoperative care global period do not apply:
   i. Assistant Surgeons
   ii. Ambulatory Surgery Centers
   iii. Outpatient Hospitals
   iv. Inpatient Hospitals

B. Modifiers 54, 55, or 56 are not considered valid for obstetric care procedure codes. Specific codes already exist to identify when more than one provider performs antepartum, delivery, and postpartum care.

C. Modifiers 54, 55, or 56 do not apply to procedure codes with a 0-day postoperative period.

D. Modifiers 54, 55, or 56 are not considered valid for evaluation and management (E/M), anesthesia, radiology, laboratory, medicine, or ambulance procedure codes, or any non-surgical HCPCS code.

E. If the surgeon was providing the entire global surgical package personally, the services would be reported as a single claim with the surgical procedure code and the date of the procedure. This claim would include all the postoperative care for the entire global period (e.g. 10 days or 90 days). When postoperative care is relinquished to another provider, the two claims for both providers will both be submitted as if the billing provider performed the surgical procedure. Only the modifier appended will be different to distinguish which portion of the global surgical package each billing provider has performed.

    i. Procedure code - Both the surgeon and physician providing post-operative management will report the same surgical code with their respective modifiers appended.

    ii. Date of service - Both claims are reported with the date of the surgical procedure as the date of service.

    iii. It is not appropriate to report each postoperative care visit with evaluation and management visit codes and modifier 55 appended. Modifier 55 is only appropriate to be used with a procedure code with global follow-up days of 10 or 90 days.

F. Valid procedure code/split care modifier combinations 'Split-care' modifiers 54, 55, and 56 are only valid with surgical procedure codes having a 10- or 90-day global period.

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.

Applicable Coding

Modifiers

Modifier 54	Surgical Care Only: When 1 (one) physician or other qualified heath care professional performs a surgical procedure and another provider preoperative and/or postoperative management, surgical services may be identified by adding modifier 54 to the usual procedure number.
Modifier 55	Postoperative Management Only: When 1 (one) physician or other qualified heath care professional performed postoperative management and another performed the surgical procedure, the postoperative component may be identified by adding modifier 55 to the usual procedure number.
Modifier 56	Preoperative Management Only: When 1 (one) physician or other qualified health care professional performed the preoperative care and evaluation and another performed the surgical procedure, the preoperative component may be identified by adding modifier 56 to the usual procedure number.

References:

1. Current Procedural Terminology (CPT®) Professional Edition (Chicago, IL: American Medical Association©: 2024).
2. The Centers for Medicare and Medicaid Services (CMS), Medicare Claims Processing Manual, Chapter Physicians/Non Physician Practitioners, Section 40 Surgeons and Global Surgery https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/GloballSurgery-ICN907166.pdf