Payment Policy: Distinct Procedural Service: Modifier 59  
Reference Number: CC.PP.014  
Product Types: ALL  
Effective Date: 01/01/2013  
Last Review Date: 12/01/2022

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

Policy Overview
The misuse of modifiers that override the Center for Medicare and Medicaid (CMS) National Correct Coding Initiative (NCCI) edits represent challenges for payers. In 2005, the Office of Inspector General (OIG) published the results of a randomized study of carriers on the appropriate use of modifier -59. The objective of the study was to determine 1) if modifier -59 was being used correctly to bypass NCCI edits; and 2) to what extent Medicare carriers are reviewing the use of modifier -59. The outcome of the study revealed that a high percentage of providers were using modifier -59 inappropriately, resulting in millions of dollars in improper payments. Furthermore, most carriers did not review modifier -59, but those who did found that providers were using the modifier incorrectly.

This outcome prompted the OIG to make a recommendation to CMS to encourage carriers to conduct pre- and post-payment reviews of the use of modifier -59.

To comply with OIG and CMS guidance, the Health Plan conducts prepayment clinical claims review on all procedures billed with modifier -59. A clinician reviews the information billed on the claim, along with the member and provider’s claims history, to determine whether it is likely that modifier -59 was used correctly for the clinical circumstances. The Health Plan uses CPT and CMS guidelines to determine whether or not the modifier was used correctly.

This policy applies to the use of modifier -59, which should only be appended to procedure codes when used to indicate that two or more services were performed at a different session, different procedure or surgery, different site or organ system, separate incision/excision, separate lesion, or separate injury (or area of injury in extensive injuries) not ordinarily encountered or performed on the same day by the same individual.

Reimbursement
Claims Reimbursement Edit
Code auditing software flags all claims billed with modifier -59 for prepayment clinical validation. Clinical validation occurs prior to claims payment. Once a claim has been clinically validated, it is either released for payment or denied for incorrect modifier use.

Rationale for Edit
The CPT Manual defines modifier -59 as follows: “Distinct Procedural Service: Under certain circumstances, it may be necessary to indicate that a procedure or service was distinct or independent from other non-E/M services performed on the same day. Modifier 59 is used to identify procedures/services, other than E/M services, that are not normally reported together, but are appropriate under the circumstances. Documentation must support a different session,
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different procedure or surgery, different site or organ system, separate incision/excision, separate lesion, or separate injury (or area of injury in extensive injuries) not ordinarily encountered or performed on the same day by the same individual. However, when another already established modifier is appropriate it should be used rather than modifier 59.”

Only if no more descriptive modifier is available, and the use of modifier -59 best explains the circumstances, should modifier -59 be used. Modifier -59 should not be appended to an E/M service.

Appeals/Reconsiderations

In the event that claims documentation is insufficient to support billing modifier -59, the provider will receive a denial determination on the explanation of payment (EOP). The provider may submit an appeal/reconsideration request according to provider manual guidelines. All pertinent medical records for the date of service and procedures billed should be submitted. **Medical records should not be submitted** on first time claims, as first time claim review consists only of a review of the information documented on the claim and in the member/provider history. Medical records should only be submitted if the provider receives a denial and wishes to request a reconsideration or appeal.

Examples

The following are some examples of appropriate use, as well as incorrect use of modifier -59:

- **CPT 11720 is denied when reported with 11055.**
  CPT 11055 - Paring or cutting of benign hyperkeratotic lesion (e.g., corn or callus); single lesion.
  CPT 11720 – Debridement of nail(s) by any method(s); one to five.
  Modifier 59 is appropriate if the debridement is performed at a separate site or at separate patient encounters. It would be considered incorrect coding to report the debridement with codes 11055-11057 for removal of hyperkeratotic skin adjacent to nails needing debridement. This is also true when reporting CPT 11719 – Trimming of nondystrophic nails, any number with CPT 11720 – Debridement of nail(s) by any method(s); one to five. Modifier -59 is only appropriate if the trimming and the debridement of the nails are performed on different nails or if the two procedures are performed at separate patient encounters.

- **CPT Code 97112 is denied when reported with 98942.**
  CPT Code 98942 – Chiropractic manipulative treatment (CMT); spinal, five regions.
  CPT Code 97112 – Therapeutic procedure, one or more areas, each 15 minutes; neuromuscular reeducation of movement, balance, coordination, kinesthetic sense, posture, and/or proprioception for sitting and/or standing activities.
  Modifier -59 is only appropriate if 97112 is performed in a different region than where the CMT is performed. Providers commonly submit notes only indicating that these are ‘different procedures’ which does not support the use of modifier -59.

Documentation Requirements

- The diagnosis codes on the claim indicate multiple conditions or sites were treated or are likely to be treated.
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- Claim history for the patient indicates that diagnostic testing was performed on multiple
  body sites or areas which would result in procedures being performed on multiple body
  areas and sites.
- To avoid incorrect denials providers should code all applicable diagnoses and services
  and use applicable anatomical modifiers designating the areas of the body treated.

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 2022, 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.

<table>
<thead>
<tr>
<th>Modifier</th>
<th>Descriptor</th>
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<tbody>
<tr>
<td>-59</td>
<td>Distinct Procedural Service</td>
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</tbody>
</table>

References
2. HCPCS Level II, 2022
3. International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-
   CM), 2022
5. Department of Health and Human Services, Office of Inspector General, November 2005
   OEI-03-02-00771
6. Centers for Medicare and Medicaid Services (CMS) National Correct Coding Initiative
   (NCCI) manuals and publications

Revision History
<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
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<tbody>
<tr>
<td>02/07/2017</td>
<td>Converted to corporate template, conducted annual review and added modifier table.</td>
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<tr>
<td>02/24/2018</td>
<td>Updated Policy, updated resources, verified modifier and conducted review.</td>
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<tr>
<td>04/01/2019</td>
<td>Conducted review, verified modifier, updated policy</td>
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<tr>
<td>11/01/2019</td>
<td>Annual Review completed</td>
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<tr>
<td>11/01/2020</td>
<td>Annual Review completed</td>
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<tr>
<td>11/30/2021</td>
<td>Annual Review completed; no major updates required</td>
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<tr>
<td>12/01/2022</td>
<td>Annual Review completed; no major updates required</td>
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**Important Reminder**

For the purposes of this payment policy, “Health Plan” means a health plan that has adopted this payment policy and that is operated or administered, in whole or in part, by Centene Management Company, LLC, or any other of such health plan’s affiliates, as applicable.

The purpose of this payment policy is to provide a guide to payment, which is a component of the guidelines used to assist in making coverage and payment determinations and administering benefits. It does not constitute a contract or guarantee regarding payment or results. Coverage and payment determinations 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 plan-level administrative policies and procedures.

This payment policy is effective as of the date determined by Health Plan. 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. Health Plan retains the right to change, amend or withdraw this payment policy, and additional payment 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 policy are independent contractors who exercise independent judgment and over whom Health Plan has no control or right of control. Providers are not agents or employees of Health Plan.

This payment policy is the property of Centene Corporation. Unauthorized copying, use, and distribution of this payment policy or any information contained herein are strictly prohibited. Providers, members and their representatives are bound to the terms and conditions expressed herein through the terms of their contracts. Where no such contract exists, providers, members and their representatives agree to be bound by such terms and conditions by providing services to members and/or submitting claims for payment for such services.

**Note: For Medicaid members**, when state Medicaid coverage provisions conflict with the coverage provisions in this payment policy, state Medicaid coverage provisions take precedence. Please refer to the state Medicaid manual for any coverage provisions pertaining to this payment policy.

**Note: For Medicare members**, to ensure consistency with the Medicare National Coverage Determinations (NCD) and Local Coverage Determinations (LCD), all applicable NCDs and
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LCDs should be reviewed prior to applying the criteria set forth in this payment policy. Refer to the CMS website at http://www.cms.gov for additional information.

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