**IMPORTANT NOTE ABOUT THIS REIMBURSEMENT POLICY**

You are responsible for submission of accurate claims. This reimbursement policy is intended to ensure that you are reimbursed based on the code or codes that correctly describe the health care services provided. UnitedHealthcare reimbursement policies may use Current Procedural Terminology (CPT®), Centers for Medicare and Medicaid Services (CMS) or other coding guidelines. References to CPT or other sources are for definitional purposes only and do not imply any right to reimbursement.

This reimbursement policy applies to all health care services billed on CMS 1500 forms and, when specified, to those billed on UB04 forms. Coding methodology, industry-standard reimbursement logic, regulatory requirements, benefits design and other factors are considered in developing reimbursement policy.

This information is intended to serve only as a general reference resource regarding UnitedHealthcare’s reimbursement policy for the services described and is not intended to address every aspect of a reimbursement situation. Accordingly, UnitedHealthcare may use reasonable discretion in interpreting and applying this policy to health care services provided in a particular case. Further, the policy does not address all issues related to reimbursement for health care services provided to UnitedHealthcare enrollees. Other factors affecting reimbursement may supplement, modify or, in some cases, supersede this policy. These factors may include, but are not limited to: legislative mandates, the physician or other provider contracts, the enrollee’s benefit coverage documents and/or other reimbursement, medical or drug policies. Finally, this policy may not be implemented exactly the same way on the different electronic claims processing systems used by UnitedHealthcare due to programming or other constraints; however, UnitedHealthcare strives to minimize these variations.

UnitedHealthcare may modify this reimbursement policy at any time by publishing a new version of the policy on this Website. However, the information presented in this policy is accurate and current as of the date of publication.

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Reimbursement Policy
CMS 1500
Policy Number 2019R0012B

This reimbursement policy applies to services reported using the 1500 Health Insurance Claim Form (a/k/a CMS-1500) or its electronic equivalent or its successor form. This policy applies to all products and all network and non-network physicians and other qualified health care professionals, including, but not limited to, non-network authorized and percent of charge contract physicians and other qualified health care professionals.

**Policy Overview**


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<tr>
<th>NPFS PC/TC Indicator</th>
<th>Description</th>
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<tr>
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<td>Physician Service Codes</td>
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<tr>
<td>1</td>
<td>Diagnostic Tests</td>
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<td>Physician interpretation codes</td>
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<tr>
<td>9</td>
<td>Not Applicable</td>
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Relative to these services, this policy also addresses information pertaining to Duplicate or Repeat Services, modifier usage, submissions based on place of service (POS), and the Professional Component with an Evaluation and Management service.

Unless otherwise specified, for the purposes of this policy, Same Individual Physician or Other Qualified Health Care Professional is defined as the same individual rendering health care services reporting the same Federal Tax Identification number.

**Reimbursement Guidelines**

**UnitedHealthcare Professional/Technical Splits**

UnitedHealthcare uses the Center for Medicare and Medicaid Services’ (CMS) PC/TC indicators as set forth in the "CMS Payment Policies" under the National Physician Fee Schedule Relative Value File to determine whether a CPT or HCPCS procedure code is eligible for separate professional and technical services reimbursement.

CPT or HCPCS codes assigned a CMS PC/TC Indicator 1 are comprised of a Professional Component and a Technical Component which together constitute the Global Service. The Professional Component (PC), (supervision and interpretation) is reported with modifier 26, and the Technical Component (TC) is reported with modifier TC.

The term “professional/technical split” is used to reference a Global Service assigned a PC/TC Indicator 1 that may be “split” into a Professional Component and a Technical Component. CPT or HCPCS codes assigned a PC/TC Indicator 1 are listed in the National Physician Fee Schedule Relative Value File. Each Global Service is listed on a separate row followed immediately by separate rows listing the corresponding Technical Component and Professional Component.

CPT or HCPCS codes with CMS PC/TC indicators 0, 2, 3, 4, 5, 7, 8, and 9 are not considered eligible for reimbursement when submitted with modifiers 26 and/or TC.

CPT or HCPCS codes with CMS PC/TC indicator 6 are not considered eligible for reimbursement when submitted with
Reimbursement Policy
CMS 1500
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Modifier TC.

CMS publishes this information in the "Physician Fee Schedule, PFS Relative Value Files" page, accessible through the following website:

Physician Fee Schedule Relative Value Files

UnitedHealthcare's percentage splits are developed on a national level from the CMS Non-Facility Total Resource-Based Relative Value Scale (RBRVS) based percentage splits. UnitedHealthcare's splits are updated quarterly and differ no more than 2.5% (for each CPT and HCPCS code) from the CMS Non-Facility Total RBRVS based percentage splits. The current splits are attached to this policy in the next section.

Services assigned a PC/TC Indicator 1 that CMS indicates may be carrier-priced, or those for which CMS does not develop RVUs are considered Gap Codes.

Gap Fill Codes: When data is available for Gap Codes, UnitedHealthcare uses the relative values published in the first quarter update of the Optum The Essential RBRVS publication for the current calendar year.

Gap Fill Codes

Gap Codes that are eligible for PC/TC reimbursement per CMS but do not have RVUs established, or data available for gap fill, are included in the "Codes Subject to the CMS PC/TC Concept Without RVU Splits" list below and are allowed at 100% of the Allowable Amount for both the Professional Component and Technical Component.

Codes Subject to the PC/TC Concept Without RVU Splits

For additional information refer to the Questions and Answers section, Q&A #1.

Reimbursement Amounts for Professional/Technical Splits

The Professional Component and Technical Component reimbursement for PC/TC split eligible services is calculated at a percentage of the Global Service Allowable Amount, except when provided otherwise by a physician or other qualified health care professional contract. When a contract applies, payments for PC/TC split eligible services are based on specific professional and technical fees contained within the contract’s fee schedules or are paid at the percentage of charge level in the fee schedule.

Professional/Technical Component Split Codes (PC/TC Indicator 1 Diagnostic Tests)

When eligible for reimbursement, Professional Component/Technical Component codes with a CMS PC/TC indicator of 2, 3, 4, 5, 6, or 8 are reimbursed at 100% of the Allowable Amount.

For additional information, refer to the Questions and Answers section, Q&A #2.

Reimbursement for Professional/Technical Component Based on POS

Reimbursement of the Professional Component, the Technical Component, and the Global Service for codes assigned a PC/TC indicator 1, 2, 3, 4, 5, 6, 8 or 9 subject to the PC/TC concept according to the National Physician Fee Schedule Relative Value File are based upon physician and other qualified health care professional specialty and CMS POS code set, as described below.

CMS POS Code Set

For the purposes of this policy, a facility POS is considered POS 19, 21, 22, 23, 26, 34, 51, 52, 55, 56, 57 and 61. All other POS are considered non-facility.

For Services Furnished in a Mobile Unit

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Services furnished in a mobile unit are often provided to serve an entity for which another POS code exists. When this is the case, the POS for that entity should be reported. For example, a mobile unit may be sent to a physician’s office. Since the mobile unit is serving an entity for which an office POS already exists, the POS code 11 (office) for that location should be reported. However, if the mobile unit is not serving an entity which could be described by an existing POS code, report POS 15 (mobile unit).

For PC/TC Indicator 8 Codes Furnished in a POS Other than POS 21
The CMS NPFS guidelines advise that payment should not be recognized for PC/TC Indicator 8 codes, which are defined as physician interpretation codes, furnished to patients in the outpatient or non-hospital setting (POS other than 21).

In alignment with CMS, UnitedHealthcare will not reimburse PC/TC Indicator 8 (CPT code 85060) when reported by a physician or other qualified health care professional with a CMS POS code other than inpatient hospital (POS 21).

For Services Furnished in a Facility POS 19, 21, 22, 23, 26, 34, 51, 52, 55, 56, 57 or 61
Services that are provided in a facility POS and that are subject to the PC/TC concept or that have both a Professional Component and a Technical Component according to the CMS PC/TC indicators, UnitedHealthcare will reimburse the interpreting physician or other qualified health care professional only the Professional Component as the facility is reimbursed for the Technical Component of the service. To be considered for Professional Component reimbursement, a service or procedure must have a:
- CMS PC/TC Indicator 1, and must be reported with modifier 26;
- CMS PC/TC Indicator 2 (Professional Component Only Codes), and must be reported without modifier 26 or TC; or
- CMS PC/TC Indicator 6 (Laboratory Physician Interpretation Codes) and must be reported with modifier 26.

UnitedHealthcare follows CMS PC/TC indicators to determine which clinical laboratory interpretive services provided in a facility POS qualify for Professional Component reimbursement. To be considered for Professional Component reimbursement, the clinical laboratory interpretive service code must have a:
- CMS PC/TC Indicator 1 (Diagnostic Tests), and be reported with modifier 26;
- CMS PC/TC Indicator 6 (Laboratory Physician Interpretation Codes), and be reported with modifier 26; or
- CMS PC/TC Indicator 8 (Physician Interpretation Codes), and be reported without modifier 26.

When a physician or other qualified health care professional provides the equipment to perform the service or procedure in a facility POS, only the facility may be reimbursed for the Technical Component of the service or procedure. Based on the CMS PC/TC indicators, UnitedHealthcare considers the Technical Component to be a service or procedure that has a:
- CMS PC/TC Indicator 1 (Diagnostic Test), and is reported with modifier TC; or
- CMS PC/TC Indicator 3 (Technical Component Only Codes), and is reported without modifier TC.

For Services Furnished in a Non-Facility POS (POS other than 19, 21, 22, 23, 26, 34, 51, 52, 55, 56, 57 or 61)
For services assigned a PC/TC Indicator 1 according to CMS, and provided in a non-facility POS, UnitedHealthcare will consider reimbursement of the Professional Component and the Technical Component when eligible.

Non-Allowed Services Furnished in a Facility POS
Consistent with CMS, UnitedHealthcare will not allow reimbursement to physicians and other qualified health care professionals for "Incident To" codes identified with a CMS PC/TC indicator 5 when reported in a facility POS regardless of whether a modifier is reported with the code. In addition, CPT coding guidelines for many of the PC/TC Indicator 5 codes specify that these codes are not intended to be reported by a physician in a facility setting.

For services with a CMS PC/TC indicator 4 (stand-alone Global Test Only Codes), UnitedHealthcare will not reimburse the physician or other qualified health care professional when rendered in a facility POS. Global Test Only Codes with a PC/TC indicator 4 identify Stand-alone Codes that describe selected diagnostic tests for which there are separate associated codes that depict the Professional Component only (PC/TC indicator 2) and Technical Component only (PC/TC indicator 3).

UnitedHealthcare utilizes the CMS National Physician Fee Schedule (NPFS) PC/TC Indicators 3 or 9 to identify laboratory services that are not reimbursable to a Reference Laboratory or Non-Reference Laboratory in a facility setting.
UnitedHealthcare will not reimburse a Professional Component when a diagnostic laboratory service is provided either manually or with automated equipment, as these codes are not subject to the PC/TC concept or are Technical Component only codes. UnitedHealthcare follows CMS PC/TC indicators in determining which services do not qualify for Professional Component reimbursement:

- CMS PC/TC Indicator 3 (Technical Component Only Codes)
- CMS PC/TC Indicator 9 (PC/TC Concept Not Applicable)

### Laboratory Codes with a PC/TC Indicator 3 or 9

Note: UnitedHealthcare will make an exception to this policy for reproductive medicine procedures 89250-89398 when the facility laboratory is not equipped to perform these specialized services and refers them to a reproductive laboratory. In the event that both a facility and a Reference Laboratory report the same service on the same day for the same member, only the facility laboratory may be reimbursed.

### Services Reported in a CMS POS 24 (Ambulatory Surgical Center)

Consistent with CMS guidelines, UnitedHealthcare will not reimburse physicians or other qualified health care professionals for the Technical Component of services included in the Ambulatory Surgery Center Fee Schedule (ASCFS) Addendum BB and reported with a CMS POS 24 as the ambulatory surgical center (ASC) is reimbursed for the Technical Component.

The Technical Component of services reported on a CMS-1500 claim form with an SG modifier (Ambulatory surgical center [ASC] facility service) is not reimbursed as a professional claim. Claim lines reported with modifier SG indicate a facility charge and are reimbursed as a facility claim.

#### PC/TC Indicator 1 Codes

For codes included in the ASCFS Addendum BB PC/TC Indicator 1 Codes list, only the Professional Component (PC, modifier 26) will be reimbursed.

- When reported globally (no modifier), the Technical Component of the code will not be reimbursed.
- When reported with modifier TC, the code will not be reimbursed.

#### PC/TC Indicator 3 Codes

Codes included in the ASCFS Addendum BB PC/TC Indicator 3 Codes list will not be reimbursed as they represent Technical Component services only.

**ASCFS Addendum BB PC/TC Indicator 1 Codes**

**ASCFS Addendum BB PC/TC Indicator 3 Codes**

### Drug Administration Codes

According to the CMS National Correct Coding Initiative (NCCI) Policy Manual, drug administration codes CPT 96360-96379, 96401-96425, and 96521-96523 are considered included in the facility payment when reported in POS 24.

In alignment with CMS, UnitedHealthcare will not reimburse drug administration codes 96360-96379, 96401-96425, and 96521-96523 reported by a physician or other qualified health care professional in POS 24.

### Duplicate or Repeat Services for Professional/Technical Eligible Codes

This section of the policy applies to when Duplicate or Repeat Services are reported by the same or different physician or other qualified health care professional. When services are eligible for reimbursement under this policy, only one physician or other qualified health care professional will be reimbursed when Duplicate or Repeat Services are reported. Duplicate or Repeat Services are defined as identical CPT or HCPCS codes assigned a PC/TC indicator 1, 2, 3, 4, 6 or 8 submitted for the same patient on the same date of service on separate claim lines or on different claims regardless of the
For services that have both a Professional Component and a Technical Component (i.e., PC/TC Indicator 1, Diagnostic Tests) UnitedHealthcare will also review the submission of modifier 26 and TC appended to the code to identify whether a Duplicate or Repeat Service has been reported.

Should the Same Individual Physician or Other Qualified Health Care Professional report the Professional Component (modifier 26) and the Technical Component (modifier TC) for the same PC/TC Indicator 1 service separately, UnitedHealthcare will consider both services eligible for reimbursement unless subject to other portions of this policy.

Modifiers offer specific information and should be used appropriately. Separate consideration will be given to duplicate or repeat multiple submissions of the same code when the appropriate modifier is appended to the Duplicate or Repeat Service with one of the following modifiers:

- Modifier 59 - Same or different physicians or other qualified health care professionals
- Modifier 76 - Same physicians or other qualified health care professionals
- Modifier 77 - Different physicians or other qualified health care professionals
- Modifier 91 - Same or different physicians or other qualified health care professionals for repeat laboratory services
- Modifier RT or LT - when reporting bilateral procedures
- Modifier XE - Separate encounter
- Modifier XP - Separate practitioner
- Modifier XS - Separate structure
- Modifier XU - Unusual non-overlapping service
- Additional anatomic modifiers - refer to Modifiers/Anatomic Modifier section.

*Note: CPT instructions state that modifier 59 should not be used when a more descriptive modifier is available. CMS guidelines cite that the –X (EPSU) modifiers are more selective versions of modifier 59 so it would be incorrect to include both modifiers on the same line. Please refer to the “Modifiers” section for a complete listing of modifiers and their descriptions.

For additional information, refer to the Questions and Answers section, Q&A #3.

UnitedHealthcare follows a "first in, first out" claim payment methodology in determining which claim will be considered for reimbursement when claims for Duplicate or Repeat Services are received.

- When the Same Individual Physician or Other Qualified Health Care Professional reports the global PC/TC Indicator 1 service (no modifier) or a stand-alone service (PC/TC Indicator 2, 3, or 4) more than once and on separate lines, separate consideration will only be given to those services reported with the appropriate modifier. Otherwise, the second and subsequent services received will not be separately reimbursed.
- When the same PC/TC Indicator 6 or 8 service is reported more than once and on separate lines by the same or different physician or other qualified health care professional, separate consideration will only be given to those services reported with modifier 59, XE, XP, XS, XU or 91. Otherwise the second and subsequent services reported will not be separately reimbursed.
- When the Same Individual Physician or Other Qualified Health Care Professional reports the global PC/TC Indicator 1 service (no modifier) and a modifier 26 or TC for the same service for the same member on the same date of service, separate consideration will only be given to those services reported with the appropriate modifier. Otherwise, the second and subsequent services will not be separately reimbursed.
- When the Same Individual Physician or Other Qualified Health Care Professional reports the global PC/TC Indicator 1 service is reported globally (no modifier) by different physicians or other qualified health care professionals on the same date or service for the same member, UnitedHealthcare will only consider separate reimbursement for the second claim when reported with an appropriate modifier. Otherwise, the second and subsequent services received will not be separately reimbursed.
- When the same PC/TC Indicator 1 service is reported globally (no modifier) by one physician or other qualified health care professional, and a different physician or other qualified health care professional reports modifier 26
or TC for the same service for the same member on the same date of service, UnitedHealthcare will consider separate reimbursement for the second claim when reported with an appropriate modifier. Otherwise, the second and subsequent services will not be separately reimbursed.

For example:
- If the claim for the physician reporting the Global Service is received first and allowed, the subsequent claim received by a different physician for a single component (i.e., Professional Component or Technical Component) will be denied as duplicate.
- If the claim for the physician reporting the Professional Component (modifier 26) service is received first and allowed, the subsequent claim received by a different physician for the Global Service will be reimbursed only for the Technical Component.
- If the claim for the physician reporting the Technical Component (modifier TC) service is received first and allowed, the subsequent claim received by a different physician for the Global Service will be reimbursed only for the Professional Component.

Refer to the UnitedHealthcare “Laboratory Services Policy” for additional information on duplicate charges for laboratory services. Refer to the UnitedHealthcare “Maximum Frequency per Day Policy” for additional information on assigned MFD values.

### Professional Component with an Evaluation and Management Service

With the exception of radiologic codes that describe fluoroscopic or ultrasonic guidance for placement of a needle, catheter, or tube, UnitedHealthcare considers the interpretation (modifier 26) of a radiology service assigned a PC/TC Indicator 1 to be included in the Evaluation and Management (E/M) service when performed by the Same Individual Physician or Other Qualified Health Care Professional on the same date of service for the same patient as these services usually are not distinct from the E/M service when both are provided on the same day.

American College of Radiology (ACR) guidelines suggest that physicians and other qualified health care professionals who believe the Professional Component (modifier 26) for a PC/TC Indicator 1 radiology code is reimbursable in addition to the E/M service on the same day include the following information in the medical record:

#### Procedures and materials
- The report or record should include a description of the studies and/or procedures performed and any contrast media and/or radio-pharmaceuticals (including specific administered activities, concentration, volume, and route of administration when applicable), medications, catheters, or devices used, if not recorded elsewhere.

#### Findings
- The report or record should use appropriate anatomic, pathologic, and radiologic terminology to describe the findings.

#### Impression
- Conclusion or diagnosis

### Modifiers

<table>
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<th>Description</th>
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| TC       | Technical Component  
Certain procedures are a combination of a physician or other qualified health care professional component and a technical component. When the technical component is reported separately, the service may be identified by adding the modifier ‘TC’ to the usual procedure number. |
| 26       | Professional Component  
Certain procedures are a combination of a physician or other qualified health care professional component and a technical component. When the physician or other qualified health care professional component is
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, 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.

Repeat Procedure or Service by Same Physician or Other Qualified Health Care Professional
It may be necessary to indicate that a procedure or service was repeated by the same physician or other qualified health care professional subsequent to the original procedure or service. This circumstance may be reported by adding modifier 76 to the repeated procedure or service. **Note:** This modifier should not be appended to an E/M service.

Repeat Procedure or Service by Another Physician or Other Qualified Health Care Professional
It may be necessary to indicate that a basic procedure or service was repeated by another physician or other qualified health care professional subsequent to the original procedure or service. This circumstance may be reported by adding modifier 77 to the repeated procedure or service. **Note:** This modifier should not be appended to an E/M service.

Repeat Clinical Diagnostic Laboratory Test
In the course of treatment of the patient, it may be necessary to repeat the same laboratory test on the same day to obtain subsequent (multiple) test results. Under these circumstances, the laboratory test performed can be identified by its usual procedure number and the addition of modifier 91. **Note:** This modifier may not be used when tests are rerun to confirm initial results; due to testing problems with specimens or equipment; or for any other reason when a normal, one-time, reportable result is all that is required. This modifier may not be used when other code(s) describe a series of test results (e.g., glucose tolerance tests, evocative/suppression testing). This modifier may only be used for laboratory test(s) performed more than once on the same day on the same patient.

Separate Encounter
A Service That Is Distinct Because It Occurred During A Separate Encounter

Separate Practitioner
A Service That Is Distinct Because It Was Performed By A Different Practitioner

Separate Structure
A Service That Is Distinct Because It Was Performed On A Separate Organ/Structure

Unusual Non-Overlapping Service
The Use Of A Service That Is Distinct Because It Does Not Overlap Usual Components Of The Main Service

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<tr>
<th>Anatomic Modifier</th>
<th>Description</th>
<th>Anatomic Modifier</th>
<th>Description</th>
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<tbody>
<tr>
<td>E1</td>
<td>Upper left, eyelid</td>
<td>LM</td>
<td>Left main coronary artery</td>
</tr>
<tr>
<td>E2</td>
<td>Lower left, eyelid</td>
<td>LT</td>
<td>Left side</td>
</tr>
<tr>
<td>E3</td>
<td>Upper right, eyelid</td>
<td>RC</td>
<td>Right coronary artery</td>
</tr>
<tr>
<td>E4</td>
<td>Lower right, eyelid</td>
<td>RI</td>
<td>Ramus intermedius</td>
</tr>
<tr>
<td>F1</td>
<td>Left hand, second digit</td>
<td>RT</td>
<td>Right side</td>
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</tbody>
</table>
Definitions

**Allowable Amount**
Defined as the dollar amount eligible for reimbursement to the physician or other qualified health care professional on the claim. Contracted rate, reasonable charge, or billed charges are examples of an Allowable Amount, whichever is applicable. For percent of charge or discount contracts, the Allowable Amount is determined as the billed amount, less the discount.

**Duplicate or Repeat Services**
Identical CPT or HCPCS codes assigned a PC/TC indicator 1, 2, 3, 4, 6 or 8 submitted for the same patient on the same date of service on separate claim lines or on different claims regardless of the assigned Maximum Frequency per Day (MFD) value.

**Gap Code**
A CPT or HCPCS code for which CMS does not develop RVUs. Note: Under the Professional/Technical Component Policy a Gap Code has a CMS PC/TC Indicator 1 assignment.

**Gap Fill Codes**
Codes for which CMS does not develop RVUs. Relative values are therefore assigned based on the first quarter update of Optum The Essential RBRVS publication for the current calendar year.

**Global Service**
A Global Service includes both a Professional Component and a Technical Component. When a physician or other qualified health care professional bills a Global Service, he or she is submitting for both the Professional Component and the Technical Component of that code. Submission of a Global Service asserts that the Same Individual Physician or Other Qualified Health Care Professional provided the supervision, interpretation and report of the professional services as well as the technician, equipment, and the facility needed to perform the procedure. In appropriate circumstances, the Global Service is identified by reporting the appropriate professional/technical split eligible procedure code with no modifier attached or by reporting a Stand-alone code for global test only services.

**Independent Laboratory**
An Independent Laboratory is one that is independent both of an attending or consulting physician’s office and of a hospital that meets at least the requirements to qualify as an emergency hospital. An Independent Laboratory must meet Federal and State requirements for certification and proficiency testing under the Clinical Laboratories Improvement Act (CLIA).

**Non-Reference Laboratory**
A physician or a Pathologist reporting laboratory procedures performed in their office.

**Pathologist**
A Pathologist is a physician who specializes in diagnosing diseases by examining tissue,
**Professional Component**
The Professional Component represents the physician or other qualified health care professional work portion (physician work/practice overhead/malpractice expense) of the procedure. The Professional Component is the physician or other qualified health care professional supervision and interpretation of a procedure that is personally furnished to an individual patient, results in a written narrative report to be included in the patient's medical record, and directly contributes to the patient's diagnosis and/or treatment. In appropriate circumstances, it is identified by appending modifier 26 to the designated procedure code or by reporting a Stand-alone code that describes the Professional Component only of a selected diagnostic test.

**Reference Laboratory**
A Reference Laboratory that receives a Specimen from another, Referring Laboratory for testing and that actually performs the test is often referred to as an Independent Laboratory. Services billed by a Reference Laboratory should use modifier 90 to identify the Reference Laboratory services.

**Relative Value Unit**
The assigned unit value of a particular CPT or HCPCS code. The associated RVU is from CMS NPFS Non-Facility Total value.

**Resource-Based Relative Value Scale**
Payment schedule based on the relative values of services provided. The current RBRVRS system ranks services according to the relative costs required to provide them. These costs are defined in terms of units, with more complex, more time consuming services having higher unit values than less complex, less time-consuming services. Furthermore, each service is compared to all other physician services so that each service is given a value that reflects its cost or value when compared to all other physician services.

**Same Individual Physician or Other Qualified Health Care Professional**
The same individual rendering health care services reporting the same Federal Tax Identification number.

**Specimen**
Tissue or tissues that is (are) submitted for individual and separate attention, requiring individual examination and pathological diagnosis. Two or more such Specimens from the same patient (eg, separately identifiable endoscopic biopsies, skin lesions) are each appropriately assigned an individual code reflective of its proper level of service.

**Stand-alone Code**
A Stand-alone Code describes a specific component of a selected diagnostic test. There is an associated code that describes the Professional Component only of the diagnostic test, an associated code that describes the Technical Component only, and another associated code that describes the global test only. An example is the series of codes used to describe electrocardiograms with at least 12 leads. CPT code 93010 describes the Professional Component only, 93005 describes the Technical Component only, and 93000 describes the global test only. Modifiers TC or 26 are not used to report these services as they are inherent within the code descriptions.

**Technical Component**
The Technical Component is the performance (technician/equipment/facility) of the procedure. In appropriate circumstances, it is identified by appending modifier TC to the designated procedure code or by reporting a Stand-alone Code that describes the Technical Component only of a selected diagnostic test.

<table>
<thead>
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<th>Questions and Answers</th>
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| **Q:** Are the CMS Geographic Practice Cost Indices by Medicare Carrier and Locality considered when developing UnitedHealthcare percentage splits?  
**A:** No. The UnitedHealthcare percentage splits are developed on a national level from the CMS Resource-Based Relative Value Scale (RBRVRS) percentage splits. |
| **Q:** If a physician or other qualified health care professional is contracted with specific rates for the Professional Component and the Technical Component, will their contracted rates be updated quarterly to reflect changes in CMS |
professional and technical rates?

A: No. As their fees for the Professional Component and the Technical Component determined by their contract, the physician or other qualified health care professional will not be impacted by UnitedHealthcare’s quarterly updates to the percentage calculation methodology for Professional Component and Technical Component reimbursement.

<table>
<thead>
<tr>
<th>Q: When does UnitedHealthcare give consideration for repeat procedures by the same individual physician, another physician or other qualified health care professional when reported with modifiers 76 or 77?</th>
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<tbody>
<tr>
<td>A: Repeat procedures must be identified with modifiers 76 or 77 as appropriate to indicate that subsequent procedures were performed at different episodes on the same day. Modifiers 76 or 77 should not be used to report multiple interpretations by the same or different physicians or other qualified health care professionals for the same EKG or x-ray procedure for quality control purposes. However, when subsequent interpretations of the same procedure show a different finding that alters/contributes to the diagnosis and treatment of the patient, use of modifier 76 or 77 is appropriate. Note: It is inappropriate to use modifier 76 or 77 to indicate repeat laboratory services. Modifiers 59, XE, XP, XS, XU or 91 should be used to indicate repeat or distinct laboratory services, as appropriate according to the AMA and CMS. Separate consideration for reimbursement will not be given to laboratory codes reported with modifier 76 or 77.</td>
</tr>
</tbody>
</table>

### Attachments

**Professional/Technical Component Codes (PC/TC Indicator 1 Diagnostic Tests)**

A list of codes with a CMS PC/TC Indicator 1 with their percentage splits. These codes have both a Professional Component and a Technical Component. Modifiers 26 and TC can be used with these codes.

**Codes Subject to the PC/TC Concept Without RVU Splits**

A list of PC/TC Indicator 1 Diagnostic Test codes subject to the CMS PC/TC component concept without RVUs for one or more components. These codes are allowed at 100% for both the Professional Component and the Technical Component.

**Gap Fill Codes**

A list of PC/TC Indicator 1 Diagnostic Test codes subject to the CMS PC/TC component concept, for which CMS does not develop RVUs or which CMS states may be carrier-based. These are assigned gap fill RVUs from data published by CMS Carriers or are otherwise assigned RVUs by UnitedHealthcare.

**Stand-alone Professional Component Only Codes (PC/TC Indicator 2)**

A list of codes with a CMS PC/TC Indicator 2. Modifiers 26 and TC cannot be used with these codes. These codes are allowed at 100% if modifier 26 or TC is not used.

**Stand-alone Technical Component Only Codes (PC/TC Indicator 3)**

A list of codes with a CMS PC/TC Indicator 3. This indicator identifies Stand-alone Codes that describe the Technical Component (i.e., staff and equipment costs) of selected diagnostic tests for which there is an associated code that describes the Professional Component of the diagnostic test only. Modifiers 26 and TC cannot be used with these codes. These codes are allowed at 100% if no modifier 26 or TC is used, and they are not reported in a facility POS.

**Stand-alone Global Test Only Codes (PC/TC Indicator 4)**

A list of codes with a CMS PC/TC Indicator 4. Modifiers 26 and TC cannot be used with these codes. These codes are allowed at 100% if modifier 26 or TC is not used, and they are not reported in a facility POS.

**Stand-alone Global Test Only Codes (PC/TC Indicator 5)**

A list of codes with a CMS PC/TC Indicator 5. Modifiers 26 and TC cannot be used with these codes. These codes are allowed at 100% if modifier 26 or TC is not used, and they are not reported in a facility POS.
Stand-alone Incident To Codes (PC/TC Indicator 5) used, and they are not reported in a facility POS.

Professional Component Codes (PC/TC Indicator 6 or 8) A list of codes with a CMS PC/TC Indicator 6 or 8. Indicator 6 codes identify clinical laboratory codes for which separate payment for interpretations by laboratory physicians may be made. These codes may also be reported with no modifier by the laboratory actually performing the test. Indicator 6 codes are allowed at 100% when reported with no modifier or with a modifier 26. Modifier TC cannot be used with these codes. Indicator 8 codes identify the Professional Component of clinical laboratory codes. Modifiers 26 or TC cannot be used with these codes. Indicator 8 codes are allowed at 100% if modifier 26 or TC is not used.

Laboratory Codes with a PC/TC Indicator 3 or 9 A list of codes that have been assigned a PC/TC Indicator of 3 or 9. **PC/TC Indicator 3:** Technical Component Only Code **PC/TC Indicator 9:** The concept of a PC/TC component does not apply These services are not reimbursable when submitted with the Professional Component (modifier 26).

ASCFS Addendum BB PC/TC Indicator 1 Codes A list of codes with a PC/TC Indicator 1 that when reported in a CMS POS 24 (ambulatory surgical center), only the Professional Component (modifier 26, PC) will be reimbursed.

ASCFS Addendum BB PC/TC Indicator 3 Codes A list of codes with a PC/TC Indicator 3 that when reported in a CMS POS 24 (ambulatory surgical center) will be denied.

Drug Administration Codes A list of drug administration codes that when reported in a CMS POS 24 (ambulatory surgical center) will be denied.

Resources


Centers for Medicare and Medicaid Services, CMS Manual System and other CMS publications and services

Centers for Medicare and Medicaid Services, Physician Fee Schedule (PFS) Relative Value Files

Optum, "The Essential RBRVS," 1st Quarter Update

History
5/3/2019 Annual Anniversary Date and Version Change

1/1/2019 Policy Version Change
Policy List Change: Professional/Technical Component Codes (PC/TC Indicator 1 Diagnostic Tests), Codes Subject to the PC/TC Concept Without RVU Splits, Gap Fill Codes, Stand-alone Professional Component Only Codes (PC/TC Indicator 2), Stand-alone Technical Component
<table>
<thead>
<tr>
<th>Date Range</th>
<th>Policy Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/8/2018 – 8/17/2018</td>
<td>Annual Approval Date and Version Change Policy List Changes: Laboratory Codes with a PC/TC Indicator 3 or 9, ASCFS Addendum BB PC/TC Indicator 1 Codes</td>
</tr>
<tr>
<td>1/29/2018 – 6/30/2018</td>
<td>Policy List Changes: Professional/Technical Component Codes (PC/TC Indicator 1 Diagnostic Tests), Codes Subject to the PC/TC Concept Without RVU Splits, Gap Fill Codes</td>
</tr>
<tr>
<td>1/1/2018 – 1/28/2018</td>
<td>Annual Policy Version Change Policy List Changes: Evaluation and Management Codes, Professional/Technical Component Codes (PC/TC Indicator 1 Diagnostic Tests), Codes Subject to the PC/TC Concept Without RVU Splits, Gap Fill Codes, Stand-alone Technical Component Only Codes, Stand-alone Global Test Only Codes (PC/TC Indicator 4), Stand-alone Incident To Codes (PC/TC Indicator 5), Stand-alone Professional Component Only Codes (PC/TC Indicator 2), Laboratory Codes with a PC/TC Indicator 3 or 9, ASCFS Addendum BB PC/TC Indicator 1 Codes, ASCFS Addendum BB PC/TC Indicator 3 Codes History Section: Entries prior to 1/1/2016 archived</td>
</tr>
<tr>
<td>10/1/2017 – 12/31/2017</td>
<td>Policy Change: Reimbursement for Professional/Technical Component Based on POS section</td>
</tr>
<tr>
<td>7/12/2017</td>
<td>Policy Approval Date Change (no new version)</td>
</tr>
<tr>
<td>7/2/2017 – 9/30/2017</td>
<td>Policy Change: Professional Component with an Evaluation and Management Service; Policy Logo, Preamble and Footer have been updated Policy List Change: Codes_Subject_to_PCTC_Concept_without_RVU_Splits; Lab Codes with PCTC Indicator 3 or 9 for Pro Tech</td>
</tr>
<tr>
<td>4/2/2017 – 7/1/2017</td>
<td>Policy List Change: Gap Fill Codes</td>
</tr>
<tr>
<td>2/12/2017 – 4/1/2017</td>
<td>Policy List Changes: Professional/Technical Component Codes (PC/TC Indicator 1 Diagnostic Tests); Gap Fill Codes; Stand-alone Technical Component Only Codes (PC/TC Indicator 3); Stand-alone Incident To Codes (PC/TC Indicator 5); Laboratory Codes with a PC/TC Indicator 3 or 9; ASCFS Addendum BB PC/TC Indicator 1 Codes; ASCFS Addendum BB PC/TC Indicator 3 Codes</td>
</tr>
<tr>
<td>1/1/2017 – 2/11/2017</td>
<td>Annual Policy Version Change Policy List Changes: Evaluation and Management Codes, Professional/Technical Component Codes (PC/TC Indicator 1 Diagnostic Tests), Codes Subject to the PC/TC Concept Without RVU Splits, Gap Fill Codes, Stand-alone Technical Component Only Codes, Stand-alone Incident To Codes (PC/TC Indicator 5), Laboratory Codes with a PC/TC Indicator 3 or 9, ASCFS Addendum BB PC/TC Indicator 1 Codes, ASCFS Addendum BB PC/TC Indicator 3 Codes History Section: Entries prior to 1/1/2015 archived</td>
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