



PCHP Reimbursement Policy		
Topic: Modifier Usage	Policy Number: PCHP.RI.010	Policy Section: Coding
Last Modification Date:	Effective Date: 5/15/2025	

Policy Disclaimer:

Please ensure adherence to correct billing and submission protocols. Utilize industry-standard, compliant codes when submitting claims. Services should be coded using Current Procedure Terminology® (CPT), Healthcare Common Procedure Coding System (HCPCS), and/or revenue codes. These codes specify the services or procedures rendered and must be fully substantiated in the medical record or office notes upon billing. Our reimbursement policies apply uniformly to both participating and non-participating professional providers and facilities, unless stated otherwise.

Failure to comply with appropriate coding/billing guidelines or current reimbursement policies may result in actions by PCHP, including claim rejection or denial, claim payment recovery/recoupment, or reimbursement adjustment to accurately reflect the services provided.

These reimbursement policies are designed to support you in submitting accurate claims and to clarify the criteria for reimbursement if PCHP covers the service under the member's benefit plan; however, coverage determination for items such as, but not limited to service, procedure, item, do not guarantee reimbursement. All billed services must align with authorization and medical necessity guidelines.

These reimbursement policies may be overridden by mandates in provider contracts, state or federal regulations, or Centers for Medicare & Medicaid Services (CMS) requirements. PCHP strives to implement policy changes promptly; any delays may necessitate recoupment of claims payment to the effective date as outlined in the policy. We reserve the right to periodically review and update these policies as needed, with the most current version available on our website upon any revisions.

Policy Details:

PCHP reimburses eligible member services that are covered, provided appropriate procedure codes and applicable modifiers are used in billing, unless specified otherwise by provider, state, federal, or CMS contracts and/or requirements. Reimbursement is determined based on the submitted code-set combinations and correct modifiers.

Specific modifiers may necessitate submitting supporting documentation with the claim; refer to modifier policies for documentation guidance. PCHP follows modifier rules published by the State of Texas applicable to Medicaid and CHIP. In the absence of State specific modifiers, PCHP will use CMS Modifiers.



PCHP reserves the right to audit compliance with correct coding practices, particularly for high-volume modifiers. Incorrectly formatted electronic or paper claims lacking the proper modifier may face rejection or denial.

Modifiers must be capitalized if they are alpha or alphanumeric. Claims that are rejected or denied due to incorrect modifiers must be resubmitted with the appropriate modifier and code-set for reconsideration, adhering to timely filing guidelines. However, the use of correct modifiers does not guarantee reimbursement.

- A) Modifiers influencing payment levels indicate specific circumstances warranting either an increase or decrease in reimbursement for the rendered service. These modifiers must be placed in the primary or first modifier field.
- B) Modifiers affecting reimbursement eligibility determine whether the provided service will be approved for reimbursement. These modifiers impacting reimbursement should be entered in the modifier field following any payment adjustment indicators.
- C) Modifiers used solely for documentation purposes do not influence reimbursement decisions. These non-reimbursement impacting modifiers should be entered in subsequent modifier fields. Wellpoint retains the discretion to rearrange modifiers to ensure accurate reimbursement for services rendered.

References:

This policy has been developed through consideration of the following:

CMS, Department of Health and Human Services, Texas Health and Human Services and all applicable agencies, Optum Encoder Pro (current year)

Policy History:

Description	Date
Policy Created	May 9, 2024
Policy Approved	January 30, 2025