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Implementation Date: January 3, 2006

Multiple Procedure Reduction of the Technical Component (TC) of Certain Diagnostic Imaging Procedures

Provider Types Affected

Physicians and suppliers billing Medicare carriers for diagnostic imaging supplies and services

Provider Action Needed



STOP – Impact to You

This article provides details regarding the Centers for Medicare & Medicaid Services (CMS) revised policy for a multiple procedure reduction of the technical component (TC) of certain diagnostic imaging procedures.



CAUTION – What You Need to Know

CMS is phasing in a payment reduction of the technical component (TC) of selected multiple diagnostic imaging procedures with a 25 percent reduction in CY 2006 and a 50 percent reduction in CY 2007. The CMS review of its multiple imaging payment reduction policy will be ongoing.



GO – What You Need to Do

See the *Background* section of this article for further details regarding this change.

Background

Medicare prices diagnostic imaging procedures in the following three ways:

- The professional component (PC) represents the physician's interpretation (PC-only services are billed with the 26 modifier);

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- The technical component (TC) represents practice expense (PE) and includes clinical staff, supplies, and equipment (TC-only services are billed with the TC modifier);
- The global service represents both PC and TC.

Effective January 1, 2006, CMS will implement a multiple procedure payment reduction on the technical component (TC) of certain diagnostic imaging procedures. The reduction applies to TC only services and the TC portion of global services for the procedures shown in Table 2 of this article. The reduction does not apply to professional component (PC) services. For 2006, CMS is making full payment for the highest priced procedure and payment at 75 percent for each additional procedure, when performed during the same session on the same day. For 2007, subsequent procedures will be paid at 50 percent.

The reduction applies only to contiguous body areas, i.e., within a family of codes, not across families, that are provided in one session. For example, the reduction would not apply to an MRI of the brain (CPT 70552) in code family 5 (of Table 2 of this article) when performed during the same (single) session, on the same day, as an MRI of the neck and spine (CPT 72142) in code family 6.

The 11 families of imaging procedures are included in Table 2 in the *Additional Information* section of this article, and are arranged by imaging modality:

- Ultrasound, CT, and computed tomographic angiography (CTA);
- MRI and magnetic resonance angiography (MRA); and
- Contiguous body area (for example, CT and CTA of Chest/Thorax/Abdomen/Pelvis).

CMS considers a single session to be one encounter where a patient could receive one or more radiological studies. If more than one of the imaging services in a single family is provided to the patient during one encounter, then this would constitute a single session and the lower-priced procedure(s) would be reduced.

On the other hand, if a patient has a separate encounter on the same day for a medically necessary reason and receives a second imaging service from the same family, then CMS considers these multiple studies in the same family on the same day to be provided in separate sessions.

In the latter case, CMS has established that the physician should **use modifier - 59** to indicate multiple sessions, and that the multiple procedure reduction does not apply.

CMS responded to commenters in the Final Rule, which was published in the Federal Register on November 21, 2005

(http://www.access.gpo.gov/su_docs/fedreg/a051121c.html, Section J, page 70261).

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An example of the current and CY 2006 payments is summarized in Table 1, and the revised lists of procedures subject to the reduction are included in Table 2 in the *Additional Information* section of this article.

Table 1. Example of Payments

	Procedure 1 (CPT 74183)	Procedure 2 (CPT 72196)	Current total payment	CY 2006 total payment	CY 2006 payment calculation
PC	\$117.00	\$90.00	\$207.00	\$207.00	no reduction
TC	\$978.00	\$529.00	\$1,507.00	\$1,374.75	\$978 + (.75 x \$529)
Global	\$1,095.00	\$619.00	\$1,714.00	\$1,581.75	\$207 + \$978 + (0.75 x \$529)

Implementation

The implementation date for the instruction is January 3, 2006.

Additional Information

If you have any questions, please contact your carrier at their toll-free number, which may be found at <http://www.cms.hhs.gov/medlearn/tollnums.asp> on the CMS web site.

The 11 families of imaging procedures covered by this change are contained in the following table:

Table 2. Revised Lists of Diagnostic Imaging Procedures Subject to Reduction

Diagnostic Imaging Services	
Family 1 Ultrasound (Chest/Abdomen/Pelvis - Non-Obstetrical)	
76604	Us exam, chest, b-scan
76700	Us exam, abdom, complete
76705	Echo exam of abdomen
76770	Us exam abdo back wall, comp
76775	Us exam abdo back wall, lim
76778	Us exam kidney transplant
76831	Echo exam, uterus
76856	Us exam, pelvic, complete
76857	Us exam, pelvic, limited
Family 2 CT and CTA (Chest/Thorax/Abd/Pelvis)	
71250	Ct thorax w/o dye
71260	Ct thorax w/ dye

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Diagnostic Imaging Services	
71270	Ct thorax w/o & w/ dye
71275	Ct angiography, chest
72191	Ct angiography, pelv w/o & w/ dye
72192	Ct pelvis w/o dye
72193	Ct pelvis w/ dye
72194	Ct pelvis w/o & w/ dye
74150	Ct abdomen w/o dye
74160	Ct abdomen w/ dye
74170	Ct abdomen w/o & w/ dye
74175	Ct angiography, abdom w/o & w/ dye
75635	Ct angio abdominal arteries
0067T	Ct colonography; dx
Family 3 CT and CTA (Head/Brain/Orbit/Maxillofacial/Neck)	
70450	Ct head/brain w/o dye
70460	Ct head/brain w/ dye
70470	Ct head/brain w/o & w/ dye
70480	Ct orbit/ear/fossa w/o dye
70481	Ct orbit/ear/fossa w/ dye
70482	Ct orbit/ear/fossa w/o & w/ dye
70486	Ct maxillofacial w/o dye
70487	Ct maxillofacial w/ dye
70488	Ct maxillofacial w/o & w/ dye
70490	Ct soft tissue neck w/o dye
70491	Ct soft tissue neck w/ dye
70492	Ct soft tissue neck w/o & w/ dye
70496	Ct angiography, head
70498	Ct angiography, neck
Family 4 MRI and MRA (Chest/Abd/Pelvis)	
71550	Mri chest w/o dye
71551	Mri chest w/ dye
71552	Mri chest w/o & w/ dye
71555	Mri angio chest w/ or w/o dye
72195	Mri pelvis w/o dye
72196	Mri pelvis w/ dye
72197	Mri pelvis w/o & w/ dye
72198	Mri angio pelvis w/ or w/o dye
74181	Mri abdomen w/o dye
74182	Mri abdomen w/ dye
74183	Mri abdomen w/o and w/ dye
74185	Mri angio, abdom w/ or w/o dye

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Diagnostic Imaging Services	
Family 5 MRI and MRA (Head/Brain/Neck)	
70540	Mri orbit/face/neck w/o dye
70542	Mri orbit/face/neck w/ dye
70543	Mri orbit/face/neck w/o & w/dye
70544	Mr angiography head w/o dye
70545	Mr angiography head w/dye
70546	Mr angiography head w/o & w/dye
70547	Mr angiography neck w/o dye
70548	Mr angiography neck w/dye
70549	Mr angiography neck w/o & w/dye
70551	Mri brain w/o dye
70552	Mri brain w/dye
70553	Mri brain w/o & w/dye
Family 6 MRI and MRA (spine)	
72141	Mri neck spine w/o dye
72142	Mri neck spine w/dye
72146	Mri chest spine w/o dye
72147	Mri chest spine w/dye
72148	Mri lumbar spine w/o dye
72149	Mri lumbar spine w/dye
72156	Mri neck spine w/o & w/dye
72157	Mri chest spine w/o & w/dye
72158	Mri lumbar spine w/o & w/dye
Family 7 CT (spine)	
72125	CT neck spine w/o dye
72126	Ct neck spine w/dye
72127	Ct neck spine w/o & w/dye
72128	Ct chest spine w/o dye
72129	Ct chest spine w/dye
72130	Ct chest spine w/o & w/dye
72131	Ct lumbar spine w/o dye
72132	Ct lumbar spine w/dye
72133	Ct lumbar spine w/o & w/dye
Family 8 MRI and MRA (lower extremities)	
73718	Mri lower extremity w/o dye
73719	Mri lower extremity w/dye
73720	Mri lower ext w/ & w/o dye
73721	Mri joint of lwr extre w/o dye
73722	Mri joint of lwr extr w/dye
73723	Mri joint of lwr extr w/o & w/dye

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Diagnostic Imaging Services	
73725 – MRA	Mr angio lower ext w or w/o dye
Family 9 CT and CTA (lower extremities)	
73700	Ct lower extremity w/o dye
73701	Ct lower extremity w/dye
73702	Ct lower extremity w/o & w/dye
73706	Ct angio lower ext w/o & w/dye
Family 10 Mr and MRI (upper extremities and joints)	
73218	Mri upper extr w/o dye
73219	Mri upper extr w/dye
73220	Mri upper extremity w/o & w/dye
73221	Mri joint upper extr w/o dye
73222	Mri joint upper extr w/dye
73223	Mri joint upper extr w/o & w/dye
Family 11 CT and CTA (upper extremities)	
73200	Ct upper extremity w/o dye
73201	Ct upper extremity w/dye
73202	Ct upper extremity w/o & w/dye
73206	Ct angio upper extr w/o & w/dye

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