



American Physical Therapy Association

PTeam Alert Newsletter

Payment and Practice Management Update

Payment Win: CMS Reverses Most of Its Damaging Coding Edits, More Details to Come

The issue: On January 1, CMS changed some of its correct coding methodologies in ways that prevented PTs from billing an evaluation and therapeutic activity and/or group therapy services delivered on the same day, a common practice in physical therapy.

The news: APTA and its members engaged in extensive advocacy efforts to convince CMS to rethink its decision. On January 24, CMS announced that it would do away with the most problematic changes and, for the most part, return to the coding rules PTs used in 2019.

What it means: PTs will be able to return to billing for therapeutic activities (97530) delivered on the same day to the same patient as PT or occupational therapy evaluations billed under codes (97161, 97162, 97163, 97165, 97166, 97167). PTs (and occupational therapists) will also be allowed to return to billing the group therapy code (97150) with those evaluation codes.

Keep in mind: There are still lots of details to be worked out, including the timeline for CMS to notify Medicare Administrative Contractors of the change, and whether it's retroactive. Additionally, a few of the January 1 restrictions remain, primarily related requirements around use of the 59 modifier/X modifier.

The Pressure Paid Off

After a concerted effort by APTA, its members, and other stakeholders, CMS relented on the most detrimental parts of its changes to the edits that prohibited payment for certain activity codes if they're used on the same day as evaluation codes. The win means that PTs will be able to, for the most part, return to coding practices that were in effect prior to January 1, 2020. CMS has not yet shared details on effective date and the process for implementation of the changes.

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In a January 24 letter to APTA and other associations, Cathy Cook, MD, medical director of CMS coding contractor Capitol Bridge, wrote that "after reviewing this issue more closely, CMS has made the decision to retain the edits that were in effect prior to January 1, 2020."

The return to the pre-January 1 coding environment reverses a CMS National Correct Coding Initiative edit that prevented PTs and OTs from billing for therapeutic activities (97530) if any of the PT or OT evaluation codes were billed the same day for the same patient. That prohibition crossed disciplines that use the same provider number, which prevented, for instance, an OT for billing for therapeutic activities with a particular patient on the same day a PT in the same practice billed for evaluation of the patient. In addition, CMS applied restrictions on billing for group therapy on the same day as PT or OT evaluations. With the letter from Capitol Bridge, those restrictions were undone.

While the reversal eliminated the most problematic parts of the January 1 edits, a few restrictions still remain: CMS will continue to require the 59 modifier/X modifier to be applied if a PT wants to receive payment for furnishing both manual therapy (97140) and an evaluation using any of the physical therapy evaluation codes (97161, 97162, 97163) on the same day for the same patient, or if billing for therapeutic activities (97530) or group therapy (97150) delivered on the same day as a physical therapy reevaluation (97164).

The letter from Capitol Bridge also states that CMS will provide further information when it becomes available regarding impacted claims. Other details, such as how and when Medicare Administrative Contractors will be notified of the change, are unclear as of publication of this article. APTA will provide details as they become available.