lines or with a number greater than 1 in the units column on the claim form or inappropriately billed with modifier '-78' (i.e., after the global period has expired);

2. "Access Field 34 of the MFSDB to determine the Medicare fee schedule payment amount for each surgery;

3. "Access Field 21 for each procedure of the MFSDB to determine if the payment rules for multiple surgeries apply to any of the multiple surgeries billed on the same day;

4. "If Field 21 for any of the multiple procedures contains an indicator of '0,' the multiple surgery rules do not apply to that procedure. Base payment on the lower of the billed amount or the fee schedule amount (Field 34 or 35) for each code unless other payment adjustment rules apply;

5. "For dates of service prior to January 1, 1995, if Field 21 contains an indicator of '1,' the standard rules for pricing multiple surgeries apply (see items 6-8 below);

6. "Rank the surgeries subject to the standard multiple surgery rules (indicator '1') in descending order by the Medicare fee schedule amount;

7. "Base payment for each ranked procedure on the lower of the billed amount, or:

- 100 percent of the fee schedule amount (Field 34 or 35) for the highest valued procedure;
- 50 percent of the fee schedule amount for the second highest valued procedure; and
- 25 percent of the fee schedule amount for the third through the fifth highest valued procedures;

8. "If more than five procedures are billed, pay for the first five according to the rules listed in 5, 6, and 7 above and suspend the sixth and subsequent procedures for manual review and payment, if appropriate, 'by report.' Payment determined on a "by report" basis for these codes should never be lower than 25 percent of the full payment amount;

9. "For dates of service on or after January 1, 1995, new standard rules for pricing multiple surgeries apply. If Field 21 contains an indicator of '2,' these new standard rules apply (see items 10-12 below);

10. "Rank the surgeries subject to the multiple surgery rules (indicator '2') in descending order by the Medicare fee schedule amount;

11. "Base payment for each ranked procedure (indicator '2') on the lower of the billed amount:

- 100 percent of the fee schedule amount (Field 34 or 35) for the highest valued procedure; and
- 50 percent of the fee schedule amount for the second through the fifth highest valued procedures; or

12. "If more than five procedures with an indicator of '2' are billed, pay for the first five according to the rules listed in 9, 10, and 11 above and suspend the sixth and subsequent procedures for manual review and payment, if appropriate, 'by report.' Payment determined on a 'by report' basis for these codes should never be lower than 50 percent of the full payment amount. Pay by the unit for services that are already reduced (e.g., 17003). Pay for 17340 only once per session, regardless of how many lesions were destroyed;

13. "If Field 21 contains an indicator of '3,' and multiple endoscopies are billed, the special rules for multiple endoscopic procedures apply. Pay the full value of the highest valued endoscopy, plus the difference between the next highest and the base endoscopy. Access Field 31A of the MFSDB to determine the base endoscopy.

"**Example:** In the course of performing a fiber optic colonoscopy (CPT code 45378), a physician performs a biopsy on a lesion (code 45380) and removes a polyp (code 45385) from a different part of the colon. The physician bills for codes 45380 and 45385. The value of codes 45380 and 45385 have the value of the diagnostic colonoscopy (45378) built in. Rather than paying 100 percent for the highest valued procedure (45385) and 50 percent for the next (45380), pay the full value of the higher valued endoscopy (45385), plus the difference between the next highest endoscopy (45380) and the base endoscopy (45378).

"Carriers assume the following fee schedule amounts for these codes:

- 45378 - $255.40
- 45380 - $285.98
- 45385 - $374.56

"Pay the full value of 45385 ($374.56), plus the difference between 45380 and 45378 ($30.58), for a total of $405.14.

"NOTE: If an endoscopic procedure with an indicator of '3' is billed with the '-51' modifier with other procedures that are not endoscopies (procedures with an indicator of '1' in Field 21), the standard multiple surgery rules apply. See §§40.6.C.6-8 for required actions.

14. "Apply the following rules where endoscopies are performed on the same day as unrelated endoscopies or other surgical procedures:

- Two unrelated endoscopies (e.g., 46606 and 43217): Apply the usual multiple surgery rules;
- Two sets of unrelated endoscopies (e.g., 43202 and 43217; 46606 and 46608): Apply the special endoscopy rules to each series and then apply the multiple surgery rules. Consider the total payment for each set of endoscopies as one service;
- Two related endoscopies and a third, unrelated procedure: Apply the special endoscopic rules to the related endoscopies, and, then apply the multiple surgery

rules. Consider the total payment for the related endoscopies as one service and the unrelated endoscopy as another service.

15. "If two or more multiple surgeries are of equal value, rank them in descending dollar order billed and base payment on the percentages listed above (i.e., 100 percent for the first billed procedure, 50 percent for the second, etc.);

16. "If any of the multiple surgeries are bilateral surgeries, consider the bilateral procedure at 150 percent as one payment amount, rank this with the remaining procedures, and apply the appropriate multiple surgery reductions. See §40.7 for bilateral surgery payment instructions.);

17. "Round all adjusted payment amounts to the nearest cent;

18. "If some of the surgeries are subject to special rules while others are subject to the standard rules, automate pricing to the extent possible. If necessary, price manually;

19. "In cases of multiple interventional radiological procedures, both the radiology code and the primary surgical code are paid at 100 percent of the fee schedule amount. The subsequent surgical procedures are paid at the standard multiple surgical percentages (50 percent, 50 percent, 50 percent and 50 percent);

20. "Apply the requirements in §§40 on global surgeries to multiple surgeries;

21. "Retain the '-51' modifier in history for any multiple surgeries paid at less than the full global amount; and

22. "Follow the instructions on adjudicating surgery claims submitted with the '-22' modifier. Review documentation to determine if full payment should be made for those distinctly different, unrelated surgeries performed by different physicians on the same day."

When to use modifier 51

Example #1: CPT gives the example of using modifier 51 when doing an excision of a lesion and it then requires a complex repair. Modifier 51 would be used in this situation.

Example #2: A dacryocystorhinostomy and turninectomy are performed at the same session by the same physician. Assign codes 68720 and 30130-51. Assign modifier 51 to the secondary procedure to indicate that multiple procedures were performed at the same session by the same physician.

Example #3: The physician performed a surgical shoulder arthroscopy with limited debridement for frayed anterior superior labrum through an arthroscope in the glenohumeral joint space. The surgeon also documented a surgical arthroscopy of the shoulder with decompression of subacromial space (through a posterior-lateral portal) and partial acromioplasty. Assign codes 29826 for the decompression procedure and code 29822-51 for the limited debridement.

Example #4: An EGD with biopsy and dilation of gastric outlet for obstruction should be assigned the following codes: 43245 (upper GI endoscopy including esophagus, stomach and either the duodenum and/or jejunum as appropriate; with dilation of gastric outlet for obstruction, any method); and code 43239-51 (upper GI endoscopy; with biopsy, single or multiple).

Example #5: Excision of a 5mm melanoma of the thigh with 5cm margins including excision of the fascia. The 80cm defect was covered with a STSG. Assign code 27329 (tumor removal) and code 15100-51 (STSG).