

Health Policy Reimbursement Strategy Professional Coding Guidance Education and Training

Use of KX Modifier for Oncologic FDG-PET Studies

When the Centers for Medicare & Medicaid Services (CMS) reconsidered Section 220.6 of the "National Coverage Determination (NCD) Manual" on June 11, 2013 to end prospective data collection requirements across all oncologic indications of FDG-PET (including PET/computed tomography (CT) and PET/magnetic resonance (MRI)), CMS specified the number of initial treatment strategy (-PI modifier) and subsequent treatment strategy (-PS modifier) FDG-PET scans that would be allowed under NCD 220.6. *Effective for claims with dates of service on or after June 11, 2013,* CMS will allow three (3) subsequent treatment strategy (-PS modifier) FDG-PET scans for the same cancer diagnosis. Effective April 6, 2009 (CR 6632) and continuing CMS allows one (1) initial treatment strategy (-PI modifier). Providers of oncologic FDG-PET studies continue to use the PI and PS modifiers, with the CPT code, to identify the purpose (e.g., cancer diagnosis, initial staging, treatment monitoring, restaging, detection of suspected recurrence) for the study.

However, CMS also recognized that there could be appropriate medical necessity beyond the (1) PI and (3) PS limits for the same diagnosis code. Therefore CMS allows those studies beyond the limits to be determined by the local Medicare Administrative Contractor (MAC). Providers identify to the MAC, the documented medical necessity beyond the (1) PI and (3) PS by appending the modifier KX. The – KX modifier should be reported in the second modifier position after the –PS modifier. MACs have the authority to periodically audit for medical necessity documentation. Therefore sites are advised to *maintain detailed documentation of the rationale* for the study and be prepared to provide to the MACs if and when requested.

If a **new** cancer diagnosis for the same patient is reported, the count will begin from the start for scans reported for either an initial treatment strategy (-PI modifier) and/or for subsequent treatment strategy (-PS modifier) study. CMS also clarified and corrected a past transmittal noting a beneficiary's file **may or may not** contain a claim for an initial treatment strategy. Whether or not a PI modifier claim exists in a beneficiary's file will have **no bearing on the frequency count** of the subsequent treatment strategy claims.

For additional details and to download a copy of MLM Matters Article MM8739 Revised on May 30, 2014, click <u>HERE</u> or for a copy of the April 18, 2014 Transmittal 2932 click <u>HERE</u>.