KAISER PERMANENTE®

PAYMENT POLICY

MULTIPLE PROCEDURE PAYMENT REDUCTION (MPPR) – OUTPATIENT HOSPITAL CLAIMS

Scope

This policy applies to:

☒ Kaiser Permanente Health Plan of Washington	☒ Kaiser Permanente Health Plan of Washington Options, Inc.	
☒ Commercial	☐ Medicare	☐ Medicaid

Policy

Original Effective Date: 12/01/2020

When benefits allow, Kaiser Permanente will apply the Multiple Procedure Payment Reduction on outpatient hospital claims that are paid at a percent of billed charge for Commercial members.

This policy, unless Other Contractual Agreements supersede, will reimburse the Technical Component (TC) of a qualifying service at 100% for the highest allowed and 50% for any subsequent services performed for the same member, by the same provider, in the same session. Facility claim lines with a professional revenue code are treated as though they have a 26 modifier. All other facility revenue codes are treated as though they have a TC modifier.

Multiple Procedure Payment Reduction (MPPR): Kaiser Permanente will reimburse the highest-valued procedure at the full fee schedule or contracted /negotiated rate and will reduce payment for the second and subsequent procedures. The National Correct Coding Initiative (NCCI) policy states: "Most medical and surgical procedures include pre-procedure, intra-procedure, and post-procedure work. When multiple procedures and or surgeries are performed at the same patient encounter, there is often overlap of the pre-procedure and post-procedure work. The payment methodologies for surgical procedures account for the overlap of the pre-procedure and post-procedure work." Kaiser Permanente will apply payment reductions as indicated by CMS.

The following MPPRs are applied specifically to the technical component of diagnostic imaging for cardiovascular and ophthalmology services if procedure is billed with another imaging procedure in the same family.

Cardiovascular services: Full payment is made for the TC service with the highest payment under the MPFS (Medicare Physician Fee Schedule), and 75% (seventy-five percent) for subsequent TC services furnished by the same physician, or by multiple in the same group practice, to the same patient on the same day.

Ophthalmology services: Full payment is made for the TC service with the highest payment under the MPFS and 80% (eighty percent) for subsequent TC services furnished by the same physician, or by multiple in the same group practice, to the same patient on the same day.

Billing/Coding Guidelines

All claims must be billed according to Centers for Medicare & Medicaid Services (CMS) guidelines.

Policy Definitions

Same Session – Same session is defined as a single visit that includes all radiology services that have been ordered by a physician and performed on the same date of service, within the same facility. If patient returns to same facility on same date for additional tests, this would not be considered the same session and would need to be billed with appropriate modifier to designate the separate and distinct encounter.

Same Group Practice – Physicians billing with same National Provider Identifier

Other Contractual Agreements – Reimbursement rates with associated discount vendors.

Prerequisite(s)

Not applicable

References

CMS Manual System Pub 100-20

Physician Fee Schedule

Frequently Asked Questions

Not applicable

Revision History

01/08/2024 – Annual review

04/20/2022 – Updated to correct hyperlinks and formatting.

Note: This information is intended to serve only as a general reference resource regarding reimbursement policy for the services described and is not intended to address every aspect of a reimbursement situation. Accordingly, we may use reasonable discretion in interpreting and applying this policy to services being delivered in a particular case. Further, the policy does not cover all issues related to reimbursement for services rendered to our enrollees as legislative mandates, the provider contracts, the enrollee's benefit coverage documents, and the Provider Manual all may supplement or in some cases supersede this policy. This policy may be modified from time to time by publishing a new version of the policy on Kaiser Permanente provider website; however, the information presented in this policy is believed to be accurate and current as of the date of publication.