Policy Number: CSCL0035
Manual Name: SMSO Policy Manual
Policy Name: MPPR Physical Therapy
Approved By: Melissa Rusk
Last Revised: 05/10/2022

SMSO Policy Manual

Multiple Procedure Payment Reduction (MPPR) for Physical Therapy and Medicine

Executive Sponsor:	Melissa Rusk, Vice President Operations
Issuing Department:	Claims
Gate Keeper:	Terry Snyder, Director Claims

COMPLIANCE STATEMENT:

Enforcement:	All members of the workforce are responsible for compliance with this policy. Failure to abide by the requirements of this policy may result in corrective action, up to and including termination. Workforce members are responsible for reporting any observed violations of this policy.
Review Schedule:	This policy will be reviewed and updated as necessary and no less than every two years.
Monitoring and Auditing:	The Issuing/Collaborating Department(s) is responsible for monitoring compliance with this policy.
Documentation:	Documentation related to this policy must be maintained for a minimum of 10 years.

Applies to:

- ☒ SummaCare
- ☒ Summa Management Service Organization (SMSO)
- ☒ Apex
- ☒ Summa Insurance Company

Line of Business:

- ☒ Commercial Groups
- ☐ Medicare Supplemental
- ☒ Off-Exchange
- ☒ Medicare
- ☒ On-Exchange
- ☒ Self-Funded

1.0 Purpose:

There are some physical medicine and rehabilitation therapy procedures that are frequently reported together on the same date of service. Some of the elements that comprise these services, referred to as Practice Expense (PE) by the Centers for Medicare and Medicaid Services (CMS), are duplicative.
This policy describes how SummaCare aligns with CMS and reduces reimbursement for the PE portions of certain therapy procedures that share these components when those services are the secondary or subsequent procedures provided on a single date of service by the Same Group Physician and/or Other Qualified Health Care Professional.
SummaCare aligns with CMS in determining which procedures are subject to the multiple therapy reduction and the primary or secondary ranking of these procedures based on Practice Expense Relative Value Units (PE RVU).

2.0 Policy:

2.1 Consistent with CMS, SummaCare ranks all reimbursable procedures from the Multiple Therapy Reducible Codes list (procedures with indicator 5 in the Multiple Procedure Payment Reduction [MPPR] field on the CMS National Physician Fee Schedule) that are provided on a single date of service. The primary procedure is reimbursed without reduction and the PE portions of all secondary and subsequent procedures from this list performed by the Same Group Physician and/or Other Qualified Health Care Professional on the same date are reduced by 50%.

2.1.1 The multiple therapy procedure reduction applies when more than one procedure or more than one unit of the same procedure, from the Multiple Therapy Reducible Codes list is provided to the same patient on the same day, i.e., the reduction applies to multiple units as well as to multiple procedures.

2.1.2 These reductions apply to the Same Group Physician and/or Other Qualified Health Care Professional, regardless of specialty.

2.1.3 Services must be medically necessary, and prior authorized where applicable. Benefit plans and/or provider contracts may further limit coverage and reimbursement.

3.0 Procedure:

3.1.1 The CMS Non-Facility PE RVU assigned to each code on the Multiple Therapy Reducible Codes list is used to determine the primary procedure. The primary procedure is identified as the procedure having the highest PE RVU on a given date of service. The PE portion of the charge for the primary procedure will not be reduced.

3.1.2 For the remaining Multiple Therapy Reducible Codes reported on the same date of service by the Same Group Physician and/or Other Qualified Health Care Professional, an amount representing the PE for each code will be reduced by the appropriate percent according to the date the service was performed as outlined above. The PE amount is determined by calculating the ratio of CMS PE RVU to Total RVU assigned to each secondary and

subsequent procedure on the same date of service. When procedures share the same PE RVU, the Total RVU is used to further rank those codes.

3.1.3 Who has the authority and responsibility for the activities in this policy or procedure? Director Claims

3.1.4 Who is responsible for monitoring/enforcing the compliance with this policy? Director Claims

4.0 References:

4.1 Source of the policy: Internal Standard

4.2 Are there any references to other documents, regulations, or intranet locations? None

4.3 Are there other policies that work in conjunction with this policy? None

4.4 Replaces (if applicable): None

5.0 Definitions:

Allowable Amount	Defined as the dollar amount eligible for reimbursement to the physician or other qualified health care professional on the claim. Contracted rate, reasonable charge, or billed charges are examples of an Allowable Amount, whichever is applicable. For percent of charge or discount contracts, the Allowable Amount is determined as the billed amount, less the discount.
Practice Expense Relative Value Units, PE RVU	The portion of the Total Relative Value Units assigned to a particular CPT or HCPCS code for maintaining a practice, including rent, equipment, supplies and non-physician staff costs.
Same Group Physician and/or Other Qualified Health Care Professional	All physicians and/or other health care professionals of the same group reporting the same Federal Tax Identification number.
Total Relative Value Units, Total RVU	The assigned unit value of a particular CPT or HCPCS code that consists of the sum of the Work Relative Value Units, the Practice Expense Relative Value Units and the Malpractice Relative Value Units.

5.1 Are there any definitions that may be unclear? None

6.0 Key Words or Aliases (Optional):

6.1 Are there any key words that you may use to find this policy in a search? MPPR, Physical Therapy

ORIGINAL EFFECTIVE DATE: 10/1/2021

REVIEWED: 5/10/2022
REVISED: 5/10/2022