BACKGROUND / PURPOSE: To establish a procedure under which the Modifier 78 may be appended to a procedure code.

Modifier 78 Definition: Unplanned Return to the Operating/Procedure Room by the Same Physician or Other Qualified Health Care Professional Following Initial Procedure for a Related Procedure During the Postoperative Period.

When the Modifier 78 is used appropriately, the subsequent procedure takes on the postoperative period of the initial procedure. In addition, only the intra-operative portion of the subsequent procedure is reimbursed. Inappropriate application of Modifier 78 may lead to the subsequent procedure being overpaid.

PROCEDURE / POLICY: It may be necessary to indicate that a subsequent procedure was performed during the postoperative period of the initial procedure (unplanned subsequent procedure following initial procedure). When this subsequent procedure is related to the initial procedure, and requires the use of an operating/procedure room (refer to Note below), the subsequent procedure may be reported by adding Modifier 78 to the subsequent procedure code.

78 Modifier is applicable on the subsequent procedure when all of the following have been met:

1. initial procedure has either a 10-day or a 90-day postoperative period;
2. subsequent procedure is performed within the postoperative period of the initial procedure;
3. initial procedure and subsequent procedure were performed by same specialty provider within same group; and
4. subsequent procedure is performed in an operating/procedure room (refer to Note for Medicare patients or payers who abide by Medicare guidelines) and was unplanned; and subsequent procedure was for an issue/complication stemming from the original procedure.

Note: Medicare defines operating/procedure room as a place of service specifically equipped and staffed for the sole purpose of performing procedures. The term includes a cardiac catheterization suite, laser suite, or endoscopy suite. It does not include a patient's room, minor treatment room, recovery room, or intensive care unit. For Medicare and payers who abide by Medicare guidelines, if the subsequent procedure was not performed in an area which meets Medicare’s definition of an operating/procedure room, do not append the 78 modifier.

Add-on procedure codes take on the postoperative period of their parent code.

The effective date of this Policy is not intended to provide a period in time when this procedure was not applicable. The effective date only represents the date the Policy and Procedure form was completed.
**Modifier 78 Decision Chart**

Subsequent procedure performed during the postoperative period of the initial procedure?  
Yes  
Subsequent procedure performed by a provider with same specialty and in same group as provider of initial procedure?  
Yes  
Subsequent procedure related to the initial procedure?  
Yes  
Provider made an unplanned return trip to the OR* during the global period of the initial procedure for an issue/complication stemming from the initial procedure?  
No  
Do not append Modifier 78. Procedure is included in global surgery package.

* Medicare defines operating/procedure room as a place of service specifically equipped and staffed for the sole purpose of performing procedures. The term includes a cardiac catheterization suite, laser suite, or endoscopy suite. It does not include a patient's room, minor treatment room, recovery room, or intensive care unit. For Medicare and payers who abide by Medicare guidelines, if the subsequent procedure was not performed in an area which meets Medicare’s definition of an operating/procedure room, do not append the 78 modifier.

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<th>APPROVED DATE:</th>
<th>APPROVED BY:</th>
<th>PREPARED BY:</th>
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<tbody>
<tr>
<td>May 7, 2018</td>
<td>Maryann C. Palmeter</td>
<td>Maryann C, Palmeter</td>
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