**Policy Name** | Physical Medicine & Rehabilitation: Multiple Therapy Procedure Reduction
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**Summary** | This policy describes reimbursement for multiple physical therapy, occupational therapy and speech therapy services performed on the same date of service.

**Policy Statement** | Medica applies multiple procedure reduction when more than one therapy procedure or multiple units of the same procedure is provided to the same patient on the same day by providers who report under the same federal tax identification number (TIN).

Therapy services are frequently reported together during the same therapy session on the same date of service. Certain components of the services, referred to as Practice Expense (PE) by the Centers for Medicare and Medicaid Services (CMS) are duplicative including the pre-service and post-service activities. The duplicative components include: cleaning the room and equipment, education, instruction, counseling and coordinating home care, greeting the patient and providing the gown, obtaining measurements (e.g., range of motion), and post-therapy patient assistance.

CMS has established relative value units (RVUs) for each component of a procedure: work expense, practice expense and malpractice expense. The procedure with the highest PE value is reimbursed at the contracted rate. For subsequent units and procedures furnished to the same patient on the same day, the PE component of the procedure code will have a 50 percent reduction applied to the allowed payment. Full payment is made for work and malpractice components of the procedure.

This policy applies to procedure codes identified in the CMS National Physician Fee Schedule (NPFS) with a Multiple Procedure indicator of 5: “Subject to 50% of the practice expense component for certain therapy services.”

The CMS Non Facility PE RVU assignment to each code is used to determine ranking of the eligible codes. When procedures share the same practice expense RVU, the total RVU will be used to further rank those codes.

Note: This policy will not be applied to providers contracted at a flat rate per diem payment methodology.

The table below shows an example of how reimbursement is determined for services subject to this policy when those services are furnished to a patient on a single date of service by providers reporting under the same federal TIN.
Policy Name | Physical Medicine & Rehabilitation: Multiple Therapy Procedure Reduction Policy
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<table>
<thead>
<tr>
<th>Code</th>
<th>Contracted Rate</th>
<th>PE RVU</th>
<th>Total RVU</th>
<th>PE Ratio (PE RVU/Total RVU)</th>
<th>Ranking</th>
<th>Final Allowable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiple Therapy Reducible Code A</td>
<td>$96.80</td>
<td>1.05</td>
<td>2.42</td>
<td>43%</td>
<td>1</td>
<td>$96.80</td>
</tr>
<tr>
<td>Multiple Therapy Reducible Code B</td>
<td>$40.40</td>
<td>.36</td>
<td>1.01</td>
<td>35%</td>
<td>2</td>
<td>PE value = 35% x $40.40 = $14.14 x 50% or $7.07. Allowable Amount = $40.40 - $7.07 or $33.33</td>
</tr>
<tr>
<td>Total</td>
<td><strong>$137.20</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$96.80 + $33.33 = $130.13</strong></td>
</tr>
</tbody>
</table>

**Code List**
- Multiple Therapy Procedure Reduction Code List

**Resources**
- Centers for Medicare and Medicaid Services (CMS)
- Healthcare Common Procedure Coding System (HCPCS)
- National Physician Fee Schedule (NPFS)

**Effective Date**
02/14/2015

**Revision Updates**
- 01/01/2019 | Annual code update
- 01/01/2018 | Annual code update
- 02/02/2017 | Annual policy review
- 01/01/2016 | Annual code update

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