Modifier 78

Reimbursement Policy ID: RPC.0069.0100

Recent review date: 09/2025

Next review date: 11/2027

Keystone First reimbursement policies and their resulting edits are based on guidelines from established industry sources, such as the Centers for Medicare & Medicaid Services (CMS), the American Medical Association (AMA), state and federal regulatory agencies, and medical specialty professional societies. Reimbursement policies are intended as a general reference and do not constitute a contract or other guarantee of payment. Keystone First may use reasonable discretion in interpreting and applying its policies to services provided in a particular case and may modify its policies at any time.

In making claim payment determinations, the health plan also uses coding terminology and methodologies based on accepted industry standards, including Current Procedural Terminology (CPT); the Healthcare Common Procedure Coding System (HCPCS); and the International Classification of Diseases,10th Revision, Clinical Modification (ICD-10-CM), and other relevant sources. Other factors that may affect payment include medical record documentation, legislative or regulatory mandates, a provider's contract, a member's eligibility in receiving covered services, submission of clean claims, and other health plan policies, and other relevant factors. These factors may supplement, modify, or in some cases supersede reimbursement policies.

This reimbursement policy applies to all health care services billed on a CMS-1500 form or its electronic equivalent, or when billed on a UB-04 form or its electronic equivalent.

To the extent that any procedure and/or diagnosis codes are specified in this policy, such inclusion is provided for reference purposes only, may not be all inclusive, and is not intended to serve as billing instructions. Listing of a code in this policy does not imply that the service described by the code is a covered or non-covered health service. Benefit coverage for health services is determined by federal, state, or contractual requirements and applicable laws that may require coverage for a specific service. The inclusion of a code does not imply any right to reimbursement or guarantee claim payment. Other Policies and Guidelines may apply.

Policy Overview

When an unplanned return to the operating or procedure room occurs during the postoperative period of another procedure, modifier 78 must be appended to the appropriate surgical codes for proper reimbursement.

Exceptions

Modifier 78 is not appropriate for Place of Service (POS) 11 (office).

Reimbursement Guidelines

Keystone First recognizes claims submitted with Modifier 78 when an unplanned related return to the operating room occurs during the global period of the original procedure by the same provider or same Tax Identification

Number (TIN). Modifier 78 is appended to claims with a global surgical period of 010 or 090 days as determined by the Medicare Physician Fee Schedule (MPFS). (See reimbursement policy RPC.0012.0100 Global Surgical Package and Split Surgical Care & RPC.0004.0100 Assistant Surgeon).

Keystone First will reimburse for the intraoperative portion of the procedure only, not including preoperative and postoperative care.

Definitions

Modifier 78-Unplanned Return to the Operating/Procedure Room
The 78 modifier is used to indicate that another procedure was performed during the postoperative period of the initial procedure (unplanned procedure following the initial procedure).

Edit Sources

I. Current Procedural Terminology (CPT), and associated publications and services.
II. Healthcare Common Procedure Coding System (HCPCS).
III. International Statistical Classification of Diseases and Related Health Problems (ICD).
IV. Centers for Medicare & Medicaid Services (CMS), https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c12.pdf
V. The National Correct Coding Initiative (NCCI)
VI. Corresponding Keystone First Clinical Policies.
VII. Applicable Keystone First manual reference.
VIII. Commonwealth of Pennsylvania Medicaid Program guidance.
IX. Commonwealth of Pennsylvania Medicaid Program fee schedule(s).

Attachments

N/A

Associated Policies

RPC.0012.0100 Global Surgical Package & Split Surgical Care
RPC.0004.0100 Assistant Surgeon

Policy History

09/2025	Reimbursement Policy Committee Approval
08/2025	Biennial Review • No major changes
06/2025	Minor updates to formatting and syntax
04/2025	Revised preamble
04/2024	Revised preamble
02/2024	Reimbursement Policy Committee Approval
08/2023	Removal of policy implemented by Keystone First from Policy History section
01/2023	Template revised • Revised preamble • Removal of Applicable Claim Types table • Coding section renamed to Reimbursement Guidelines • Added Associated Policies section