

Policy Name	Professional and Technical Components
<p>Summary</p>	<p>Certain procedures are a combination of a physician or professional component and a technical component. When the procedures are reported separately, modifiers 26 or TC should be added to the procedure code.</p> <p>Procedures with professional and technical components include radiology, laboratory, medicine and a limited number of surgical codes.</p> <p>The professional component, reported by appending modifier 26, includes the provider's work, practice overhead, and malpractice expense portion of the service. The professional component also represents the supervision and interpretation of the diagnostic test/study performed. The interpretation of the diagnostic test or study has to be separate, written, and signed.</p> <p>The technical component, reported by appending modifier TC, includes payment for personnel, equipment and supplies involved in the non-physician portion of the services.</p> <p>Whether a CPT or HCPCS procedure code is eligible for separate professional and technical services reimbursement is determined by the Center for Medicare and Medicaid Services' (CMS) PC/TC indicators in the <i>National Physician Fee Schedule Relative Value File</i>. Reimbursement is based on provider type, place of service, and modifiers submitted on a claim.</p> <p>For professional/technical eligible services that are provided in facility settings (other than skilled nursing facilities), Medica will reimburse the interpreting physician/other health care professional only the professional component (26 modifier) as the facility is reimbursed for the technical component of the service or procedure.</p> <p>Medica will <u>not</u> reimburse a professional component (modifier 26) when a diagnostic laboratory service is provided either manually or with automated equipment, as these codes are not subject to the professional/technical concept. Per CMS, the following PC/TC policy indicators do <u>not</u> qualify for reimbursement of modifier 26:</p> <ul style="list-style-type: none"> • PC/TC indicator 3: Technical Component Only Codes • PC/TC indicator 4: Global Test Only Codes • PC/TC indicator 9: PC/TC Concept Not Applicable

Related Coding Information

Modifier 26 Professional Component

Modifier 26 is used to report the interpretation of the diagnostic test or study.

Modifier TC Technical Component

Modifier TC represents the technical component of the procedure and includes the cost of equipment and supplies to perform that procedure.

Resources

- Current Procedural Terminology (CPT®)
- Center for Medicare and Medicaid Services (CMS) National Physician Fee Schedule (NPFS)
- Healthcare Common Procedure Coding System (HCPCS)

Effective Date

5/01/99

Revision Date

1/01/06

Explanation of Change

2006 annual CPT update