

# Highmark Reimbursement Policy Bulletin



HISTORY VERSION

**Bulletin Number:** MRP-007  
**Subject:** Modifiers CO and CQ  
**Effective Date:** March 28, 2022      **End Date:**  
**Issue Date:** April 15, 2024      **Revised Date:** April 2024  
**Date Reviewed:** April 2024  
**Source:** Reimbursement Policy

<b>Applicable Commercial Market</b>	PA	<input type="checkbox"/>	WV	<input type="checkbox"/>	DE	<input type="checkbox"/>	NY	<input type="checkbox"/>
<b>Applicable Medicare Advantage Market</b>	PA	<input checked="" type="checkbox"/>	WV	<input checked="" type="checkbox"/>	DE	<input checked="" type="checkbox"/>	NY	<input checked="" type="checkbox"/>
<b>Applicable Claim Type</b>	UB	<input checked="" type="checkbox"/>	1500	<input checked="" type="checkbox"/>				

➔ A checked box indicates the policy is applicable to that market either entirely, or partially, as indicated within the policy.

Reimbursement Policy designation of Professional or Facility application is based on how the provider is contracted with the Plan. This Policy supersedes direction provided in Bulletins prior to the effective date of this policy.

## PURPOSE:

The purpose of this policy is to provide direction on the use of Therapy Services modifiers CO and CQ. Modifiers CO and CQ were developed by the Centers for Medicare and Medicaid Services as payment modifiers to help accurately code and bill for Therapy Services. Their intent is to reduce clinician burden, focus on outcomes, and promote interoperability of Electronic Health Records.

## REIMBURSEMENT GUIDELINES:

When an Occupational Therapist Assistant (OTA) or Physical Therapist Assistant (PTA) furnishes 10 percent or more of the Therapy, append modifiers CO or CQ to the service provided in addition to the GP and GO therapy modifiers which are used to indicate the services are furnished under a physical therapy or occupational therapy plan of care. Modifiers CO and CQ are used to modify the payment, payment for these services will be set at 88 percent of the applicable payment schedule. These modifiers are applicable to facilities reimbursed from the Outpatient Prospective Payment System (OPPS) methodology and providers that follow the Medicare Physicians Fee Schedule (MPFS). These modifiers do not apply to outpatient therapy services furnished in critical access hospitals.

The following reimbursement reductions apply to services rendered by the listed Therapy Assistants:

Practitioner	Reimbursement Rate (% of fee schedule)
Physical Therapy Assistant	88%
Occupational Therapy Assistant	88%

*Reminder:* PTA's and OTA's may not provide evaluations or assessment services, make clinical judgement or decisions, develop, manage or furnish skilled maintenance program services, or take responsibility for the service.

#### DEFINITIONS:

Modifier	Definition
CO	Outpatient occupational therapy services furnished in whole or in part by an occupational therapy assistant.
CQ	Outpatient physical therapy services furnished in whole or in part by a physical therapist assistant.

#### RELATED POLICIES:

Refer to the following Medical Policies for additional information:

- Commercial Policy Y-1: Physical Medicine
- Commercial Policy Y-2: Occupational Therapy
- Commercial Policy Y-9: Manipulation Services
- Medical Advantage Policy Y-1: Therapy and Rehabilitation Services (Physical Therapy, Occupational Therapy)

Refer to the following Reimbursement Policies for additional information:

- RP-051 Multiple Procedure Payment Reduction for Therapy Services
- RP-067 Specific Service Daily Maximum

#### ADDITIONAL BILLING INFORMATION AND GUIDELINES:

- Centers for Medicare and Medicaid Services. (2021, March 3). *Billing Examples Using CO/CQ Modifiers for Services Provided by PTAs& OTAs.*
- Centers for Medicare and Medicaid Services. (2019, November 1). *New Modifiers to Identify Physical Therapy (PT) and Occupational Therapy (OT) Services Provided by a Therapy Assistant.* (Transmittal 4440).
- CMS MLN Matters Article MM12397 issued November 22, 2021.

#### POLICY UPDATE HISTORY INFORMATION:

3 / 2022	Implementation added OPSS verbiage
9 / 2022	Added New York Medicare Advantage applicable to policy

4 / 2024	Changed reimbursement rate percentage
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# Highmark Reimbursement Policy Bulletin



HISTORY VERSION

**Bulletin Number:** MRP- 007  
**Subject:** Modifiers CO and CQ  
**Effective Date:** March 28, 2022      **End Date:**  
**Issue Date:** September 1, 2022      **Revised Date:** August 2022  
**Date Reviewed:** August 2022  
**Source:** Reimbursement Policy

**Applicable Commercial Market**      PA       WV       DE       NY   
**Applicable Medicare Advantage Market**      PA       WV       DE       NY   
**Applicable Claim Type**      UB       1500

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Reimbursement Policy designation of Professional or Facility application is based on how the provider is contracted with the Plan. This Policy supersedes direction provided in Bulletins prior to the effective date of this policy.

## PURPOSE:

The purpose of this policy is to provide direction on the use of Therapy Services modifiers CO and CQ. Modifiers CO and CQ were developed by the Centers for Medicare and Medicaid Services as payment modifiers to help accurately code and bill for Therapy Services. Their intent is to reduce clinician burden, focus on outcomes, and promote interoperability of Electronic Health Records.

## REIMBURSEMENT GUIDELINES:

When an Occupational Therapist Assistant (OTA) or Physical Therapist Assistant (PTA) furnishes 10 percent or more of the Therapy, append modifiers CO or CQ to the service provided in addition to the GP and GO therapy modifiers which are used to indicate the services are furnished under a physical therapy or occupational therapy plan of care. Modifiers CO and CQ are used to modify the payment, payment for these services will be set at 85 percent of the applicable payment schedule. These modifiers are applicable to facilities reimbursed from the Outpatient Prospective Payment System (OPPS) methodology and providers that follow the Medicare Physicians Fee Schedule (MPFS). These modifiers do not apply to outpatient therapy services furnished in critical access hospitals.

The following reimbursement reductions apply to services rendered by the listed Therapy Assistants:

Practitioner	Reimbursement Rate (% of fee schedule)
Physical Therapy Assistant	85%
Occupational Therapy Assistant	85%

*Reminder:* PTA's and OTA's may not provide evaluations or assessment services, make clinical judgement or decisions, develop, manage or furnish skilled maintenance program services, or take responsibility for the service.

**Modifier CO** - Outpatient occupational therapy services furnished in whole or in part by an OTA

**Modifier CQ** - Outpatient physical therapy services furnished in whole or in part by a PTA

#### **RELATED HIGHMARK POLICIES:**

Refer to the following Medical Policies for additional information:

- Commercial Policy Y-1: Physical Medicine
- Commercial Policy Y-2: Occupational Therapy
- Commercial Policy Y-9: Manipulation Services
- Medical Advantage Policy Y-1: Therapy and Rehabilitation Services (Physical Therapy, Occupational Therapy)

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- RP-067 Specific Service Daily Maximum

#### **ADDITIONAL BILLING INFORMATION AND GUIDELINES:**

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#### **POLICY UPDATE HISTORY INFORMATION:**

3 / 2022	Implementation added OPSS verbiage
9 / 2022	Added New York Medicare Advantage applicable to policy

# Highmark Reimbursement Policy Bulletin



**Bulletin Number:** MRP- 007  
**Subject:** Modifiers CO and CQ  
**Effective Date:** March 28, 2022      **End Date:**  
**Issue Date:** December 27, 2021      **Revised Date:**  
**Date Reviewed:**  
**Source:** Reimbursement Policy

**Applicable Commercial Market**

PA  WV  DE  NY

**Applicable Medicare Advantage Market**

PA  WV  DE  NY

**Applicable Claim Type**

UB  1500

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**Modifier CO-** Outpatient occupational therapy services furnished in whole or in part by an OTA

**Modifier CQ-** Outpatient physical therapy services furnished in whole or in part by a PTA

#### RELATED HIGHMARK POLICIES:

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- Medical Advantage Policy Y-1: Therapy and Rehabilitation Services (Physical Therapy, Occupational Therapy)

Refer to the following Reimbursement Policies for additional information:

- RP-051 Multiple Procedure Payment Reduction for Therapy Services
- RP-067 Specific Service Daily Maximum

#### ADDITIONAL BILLING INFORMATION AND GUIDELINES:

Centers for Medicare and Medicaid Services. (2021, March 3). *Billing Examples Using CO/CQ Modifiers for Services Provided by PTAs & OTAs*. Retrieved from [Billing Examples Using CQ/CO Modifiers for Services Provided by PTAs & OTAs | CMS](#).

Centers for Medicare and Medicaid Services. (2019, November 1). *New Modifiers to Identify Physical Therapy (PT) and Occupational Therapy (OT) Services Provided by a Therapy Assistant*. (Transmittal 4440). Retrieved from [R4440cp.pdf \(cms.gov\)](#).

CMS MLN Matters Article MM12397 issued November 22, 2021.

[MM12397 - Reduced Payment for Physical Therapy and Occupational Therapy Services Furnished in Whole or in Part by a Physical Therapy Assistant or Occupational Therapy Assistant \(cms.gov\)](#)

**POLICY UPDATE HISTORY INFORMATION:**

March / 2022	Implementation added OPPS verbiage

HISTORY