



Distinct Procedural Service (Modifier 59, X {EPSU})

Reimbursement Policy ID: RPC.0010.01CH

Recent review date: 02/2026

Next review date: 03/2028

Keystone First – CHIP (Children's Health Insurance Program) reimbursement policies and their resulting edits are based on guidelines from established industry sources, such as the Centers for Medicare and 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 – CHIP 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

This policy describes requirements for billing of distinct procedural service modifiers by providers contracted with Keystone First – CHIP

Keystone First - CHIP recognizes modifiers 59, XE, XP, XS, or XU for distinct procedural services, consistent with CPT/HCPCS terminology, National Correct Coding Initiative (NCCI) policy, and Pennsylvania Medicaid provider manual billing guidelines.

Exceptions

Distinct procedural service modifiers should not be used for Evaluation and Management (E/M) services. See Reimbursement Policy RPC.0009.01CH on Significant, Separately Identifiable Evaluation and Management Service (Modifier 25).

Reimbursement Guidelines

Keystone First - CHIP utilizes NCCI procedure-to-procedure (PTP) edits to prevent payment of procedures that normally should not be reported together. Only if clinically appropriate should an NCCI associated modifier recognized for distinct procedural services be used to bypass a procedure-to-procedure edit:

- The most comprehensive CPT/HCPCS code(s) for the complete service performed must be reported. Procedural services that are considered integral parts to another, more comprehensive procedural service should not be separately reported.
- Clinical documentation must support that distinct procedural services were performed on the same date of service by the same provider: in a different session, as a different procedure or surgery, on a different site or organ system, with a separate incision/excision, on a separate lesion, or on a separate injury (or on an area of injury in extensive injuries). Different diagnoses alone do not justify distinct procedural services.
- The most descriptive modifier for the distinct procedural service performed must be used. Modifier 59 and modifier X{EPSU} should not be appended to the same CPT/HCPCS code.

Refer to CPT/HCPS manuals for complete descriptions of procedure codes and their modifiers, Medicaid NCCI coding policy manuals, and state billing resources for fee schedules and billing guidelines.

Definitions

Modifier 59 – Distinct procedural service

Modifier 59 is used to identify procedures/services, other than evaluation and management (E/M) services, that are not normally reported together but are appropriate under the circumstances. However, when another already established modifier (XE–XU) is appropriate, it should be used rather than modifier 59. Modifier 59 should not be appended to an E/M service.

- Modifier XE – Separate Encounter, a service that is distinct because it occurred during a separate encounter. Note: Only use XE to describe separate encounters on the same date of service.
- Modifier XP – Separate Practitioner, a service that is distinct because it was performed by a different practitioner
- Modifier XS – Separate Structure, a service that is distinct because it was performed on a separate organ/structure
- Modifier XU – Unusual Non-Overlapping Service, the use of a service that is distinct because it does not overlap usual components of the main service

Edit Sources

- I. Current Procedural Terminology (CPT) and associated publications and services.
- II. International Classification of Diseases, 10th Revision, Clinical Modification (ICD-10-CM).
- III. Healthcare Common Procedure Coding System (HCPCS).
- IV. Centers for Medicare and Medicaid Services (CMS).
- V. The National Correct Coding Initiative (NCCI)
- VI. Corresponding Keystone First - CHIP Clinical Policies.
- VII. Applicable Keystone First - CHIP manual reference.

- VIII. Commonwealth of Pennsylvania Children’s Health Insurance Program guidance.
- IX. Commonwealth of Pennsylvania Medicaid Program fee schedule(s).

Attachments

N/A

Associated Policies

RPC.0009.01CH Significant, Separately Identifiable Evaluation and Management Service (Modifier 25).

Policy History

02/2026	Reimbursement Policy Committee Approval
01/2026	Annual review <ul style="list-style-type: none"> • Updated to biennial review
06/2025	Minor updates to formatting and syntax
05/2025	Reimbursement Policy Committee Approval
04/2025	Revised preamble
04/2024	Revised preamble
08/2023	Removal of policy implemented by Keystone First – CHIP from Policy History section
1/2023	Template revised <ul style="list-style-type: none"> • Revised preamble • Removal of Applicable Claim Types table • Coding section renamed to Reimbursement Guidelines • Added Associated Policies section