**Public Comment Forum: HIPAA Code Conversion for Local Modifier ZS**

As part of the continuing effort to comply with the federally mandated Health Insurance Portability and Accountability Act (HIPAA), the following change is slated to be effective for dates of service on or after December 1, 2013:

> The Department of Health Care Services (DHCS) will discontinue use of local modifier ZS, which is used to bill for the full professional (26) and technical (TC) components of a procedure.

This article provides information about a public comment forum for this change.

**Claim Completion**
Providers will be instructed to use one of the following scenarios when submitting a claim for split-billable procedures or services:

> **Scenario 1: The facility and physician each bill for their respective component of the service with modifiers 26 or TC.**
> Each provider/facility submits their own claim with one line of service and the appropriate modifier (26 or TC) designating the service they provided.
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> **Scenario 2: Full Fee Billing – The physician bills for both the professional and technical components and subsequently reimburses the facility for the technical component, according to their mutual agreements.**
> The physician submits a *CMS-1500* claim form and completes two separate claim lines as follows: The first line contains the split-billable procedure code and one of the two modifiers (26 or TC). The second line contains the same procedure code and the corresponding modifier (26 or TC).
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> **Scenario 3: Standard Billing – The facility bills for both the technical and professional components and reimburses the physician for the professional component, according to their mutual agreements.**
> The facility submits a *UB-04* claim form and completes two separate claim lines as follows: The first line contains the split-billable procedure code and one of the two modifiers (26 or TC). The second line contains the same procedure code and the corresponding modifier (26 or TC).

**TAR Completion**
Providers will be instructed to use one of the following scenarios when submitting a *Treatment Authorization Request* (TAR) for split-billable procedures or services:

> **Scenario 1: One TAR and *one* provider for both the professional (26) and technical (TC) components of service.**
> The TAR must be submitted with two lines of service. The first line must have the CPT-4 code and one of the two modifiers (26 or TC). The second line must have the same CPT-4 code and the corresponding modifier (26 and TC).
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> **Scenario 2: One TAR and *two different* providers for the professional (26) and technical (TC) components of service.**
> One of the providers submits the TAR on behalf of both providers of the two components of service (26 and TC). Both providers use the same TAR for claim submission. The TAR is submitted with two lines of service. The first line must have the CPT-4 code and one of the two modifiers (26 or TC). The second line must have the same CPT-4 code and the corresponding modifier (26 and TC).
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> This is the preferred method for two different providers.
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> **Scenario 3: Two TARs and two different providers for the professional (26) and technical (TC) components of service.**

Each provider submits their own TAR with one line of service and the appropriate modifier designating the service (26 or TC) they provided or will provide.

**Comment Period**
Notice is hereby given that DHCS will conduct written public proceedings, during which time any interested person or such person's duly authorized representative may present statements, arguments or contentions relevant to the action described in this notice.

There has been a correction to the start date of the comment forum, which was previously posted as September 15, 2013. The comment forum will begin September 16, 2013, and end at 4:00 PM on October 30, 2013. The proposed changes will be available by clicking the "Public Comment Forum Coming: HIPAA Code Conversion for Local Modifier ZS" line in the *NewsFlash* area of the Medi-Cal website. This link will direct providers to the "Medi-Cal Comment Forum" where they can view the article. Providers may call the Telephone Service Center (TSC) at 1-800-541-5555 or visit the Medi-Cal website if they have questions or need additional information.