

# Outpatient Therapy Cap Repeal and KX Modifier Use

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## February 20, 2018

On February 9, 2018, Congress passed the Bipartisan Budget Act of 2018. This legislation contains a number of provisions that extend certain Medicare Fee for Service (FFS) policies, one permanently repeals the outpatient therapy caps beginning on January 1, 2018.

Section 50202 of the Act repeals Medicare provisions affecting the outpatient therapy caps. This section requires:

- ⇒ Medicare claims no longer be subject to the therapy cap;
- ⇒ Threshold for medical review be lowered; and
- ⇒ Submission of the KX modifier for claims in excess of the prior therapy cap amount for claims with dates of service on and after January 1, 2018.

A Change Request (CR) will be released to provide instructions on reprocessing claims impacted by this legislation. MACs will no longer be holding claims submitted with the KX modifier. Please be on the alert for additional information, which will provide direction on this and other provisions of the new legislation.