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MARYLAND MEDICAL ASSISTANCE PROGRAM

MCO Transmittal No. 260

January 5, 2026

TO: Managed Care Organizations

FROM: Monchel Pridget, Acting Director *Monchel Pridget*
Office of Medical Benefits Management

RE: GE Modifier Clarification

NOTE: **Please ensure that appropriate staff members in your organization are informed of the contents of this transmittal.**

This transmittal clarifies existing policy about payment responsibility for lower- and mid-level evaluation and management (E/M) services provided by residents with a graduate medical education (GME) without the physical presence of a teaching physician.

Payment Responsibility

In accordance with 42 CFR 415.174, a HealthChoice Managed Care Organization must pay the Maryland Medicaid Physician Fee Schedule rates for lower- and mid-level E/M services provided by residents with a GME program granted a primary care exception. According to the Center for Medicare and Medicaid Services (CMS), the GE modifier is a billing notation reserved for each service a resident provides under the primary care exception. The modifier does not change the reimbursement amount to the teaching physician or facility.

Primary Care Exception and Billing Guidance

Under the primary care exception, teaching physicians in certain teaching hospital primary care centers may bill for certain services that residents provide independently. While the teaching physicians do not need to be physically present, they are required to review the care.

When billing under the primary care exception, the teaching physician may only use Medical Decision Making to select the E/M visit level; time may not be used to select visit level. As of May 12, 2023, teaching physicians cannot bill for office or outpatient E/M level 4–5 visits.

For residency training sites outside a metropolitan service area, the following communication technology-based services and inter-professional consult services may be billed with the GE modifier:

- (1) CPT codes 99421–99423 (for online digital evaluation and management) and 99452 (for interprofessional referral service); and

Primary Care Exception E/M Lower- & Mid-Level Services CPT Codes	
New Patient	Established Patient
N/A	99211
99202	99212
99203	99213

(2) HCPCS codes G2010 (for the remote evaluation of patient video/images) and G2012 (for virtual check-in).

Primary Care Exception HCPCS Codes	
Code	Description
G0402	Initial preventive physical examination; face-to-face visit, services limited to new beneficiaries during the first 12 months of Medicare enrollment
G0438	Annual wellness visit; includes a personalized prevention plan of service (PPS), initial visit
G0439	Annual wellness visit, includes a personalized prevention plan of service (PPS), subsequent visit

To apply the primary care exception, the following conditions must be met:

- (1) Services are provided in a center that is located in a hospital outpatient department or ambulatory care entity where the time residents spend in patient care is included in determining a teaching hospital's direct GME payments;
- (2) The primary care center is considered the patient's primary location for health care services;
- (3) Residents must complete more than 6 months of an approved residency program before providing billable patient care without a teaching physician's physical presence; and
- (4) Teaching physicians cannot supervise more than 4 residents at a time.

In addition to preventive care, the range of primary care services residents provide includes:

- (1) Acute care for the same problems or chronic care for ongoing conditions, including chronic mental illness;
- (2) Coordinating care with physicians and other provider types; and
- (3) Comprehensive care, not limited by organ system or diagnosis.

Primary care exception centers do not need prior approval, but they must keep records showing their exception status. The residency programs most likely to qualify for the primary care exception include:

- (1) Family practice;
- (2) General internal medicine;
- (3) Geriatric medicine;
- (4) Pediatrics; and

(5) Obstetrics/Gynecology.

While CMS does not specifically list commonly used pediatric well-child preventive care codes, the Maryland Department of Health recognizes the GE modifier as an allowable notation for facilities under the primary care exception when using CPT codes 99381-99387 and 99391-99396.

For more information regarding primary care exception and billing guidance for teaching facilities please refer to [CMS Guidelines for Teaching Physicians, Interns & Residents](#), [CMS Transmittal 4283](#), [Medicare Claims Processing Manual Chapter 12 - Physicians/Nonphysician Practitioners](#), and [CFR § 415.174](#)

For questions regarding this transmittal, please contact the Provider Network Management team at mdh.healthchoiceprovider@maryland.gov.