

## Part B Insider (Multispecialty) Coding Alert

### MODIFIER 59 COMPLIANCE: OIG Revisits Recommendation to Institute Edits

#### OIG found 40 percent error rate on modifier 59 claims

When the OIG talks, not everyone listens, according to a new report.

The OIG makes hundreds of recommendations each year, advising practices and carriers to tighten up documentation, correct their modifier use, or implement other programs.

On May 30, the OIG released its 86-page -Compendium of Unimplemented OIG Recommendations,- which revealed that practices have ignored many OIG suggestions.

**Case in point:** In 1996, the OIG found a 40 percent error rate on claims that contained modifier 59 (Distinct procedural service) and encouraged carriers to institute a claims edit that would allow payment only for specific code pairs when practices appended modifier 59. As of the OIG's most recent investigation (2003), however, CMS hadn't yet implemented such an edit. In turn, Medicare paid \$59 million more than it should have to providers based on modifier 59 coding errors.

**Possible rationale:** Carriers are simply not able to impose specific edits governing the mountain of modifier 59 claims that they receive each day.

-I think it would be extremely difficult for carriers to put these edits into place,- says **Kara Hawes, CPC-A**, of **Advanced Professional Billing** in Tulsa, Okla. -If the codes we must report do not fit the proposed edits, this will definitely put a strain on the carriers- manual claim review staff as well as physicians- appeal staffs.-

#### CCI's Modifiers Should Do

In addition, the Correct Coding Initiative (CCI) already assigns specific modifiers to each code pair edit--modifier 1 means that you can separate the bundle with a modifier such as 59, while modifier 0 means that no modifier can separate the edit.

-If carriers had to manually review every claim with a 59 modifier on it, that would grind the whole concept of electronic claims submission to a halt,- says **Barbara J. Cobuzzi, MBA, CPC-OTO, CPC-H, CPC-P, CPC-I, CHCC**, president of **CRN Healthcare Solutions** in Tinton Falls, N.J.

To read the full list of unimplemented OIG recommendations, see the OIG Web site at [www.oig.hhs.gov/publications/docs/compendium/compendium2008.pdf](http://www.oig.hhs.gov/publications/docs/compendium/compendium2008.pdf).