

## Psychiatry Coding & Reimbursement Alert

### CPT® 2015 Update: Zero In On More Apt Alternatives to Modifier 59 in 2015

**Hint: Modifier 59 is not totally outdated, but CMS will prefer use of new substitutes.**

If you are already watching out for changes to Current Procedural Terminology (CPT®) codes in 2015, don't forget to switch your focus to modifiers. You will be seeing some refinement in the form of more precise alternatives to one of the most widely used modifiers—modifier 59.

#### Note The Expected Change

According to transmittal 1422 that the Centers for Medicare & Medicaid Services (CMS) released in August, you should use one of the new "X(EPSU)" modifiers beginning Jan.1, 2015. You will be using these modifiers instead of modifier 59 (Distinct procedural service) in many circumstances in which you might otherwise use modifier 59 to overcome Correct Coding Initiative (CCI) edits.

Although it is termed as the "modifier of last resort," modifier 59 is a hugely popular modifier that helps identify distinct services, separate encounters on the same day, and services performed on different anatomical locations, among other circumstances.

**Problem areas:** According to the 2013 Comprehensive Error Rate Testing Report data, an estimated \$320 million was the projected error rate in physician fee schedule payments associated with modifier 59, with an additional \$450 million in erroneous facility payments (primarily under the outpatient prospective payment system) due to misuse of the modifier 59. Transmittal 1422 also states that this modifier is associated with considerable abuse and high levels of manual audit activity, leading to reviews, appeals, and even civil fraud and abuse cases when being used incorrectly to identify a distinct service.

Also, in many cases, it was not clear as to why the modifier was being used (whether to identify a distinct service, separate encounter, or anatomical site). So, in order to overcome the problem, CMS decided to provide more specific options to replace modifier 59.

#### Know The Substitutes Introduced to Replace Modifier 59

CMS has announced in its transmittal that you will be provided with four Healthcare Common Procedure Coding System modifiers (referred to collectively as X{EPSU} modifiers) that you will begin to use as more precise options instead of modifier 59:

- XE - Separate Encounter (A service that is distinct because it occurred during a separate encounter)
- XP - Separate Practitioner (A service that is distinct because it was performed by a different practitioner)
- XS - Separate Structure (A service that is distinct because it was performed on a separate organ/structure)
- XU - Unusual Non-Overlapping Service (The use of a service that is distinct because it does not overlap usual components of the main service)

**Caveat:** Although the new modifiers will replace modifier 59 in specific instances, CMS won't cease accepting modifier 59 in 2015. "CMS will not stop recognizing the modifier 59 but notes that CPT® instructions state that the 59 modifier should not be used when a more descriptive modifier is available," says the Transmittal, which has an effective date of Jan. 1, 2015. "CMS will continue to recognize the modifier 59 in many instances but may selectively require a more specific -X{EPSU} modifier for billing certain codes at high risk for incorrect billing."

For example, a situation occurs where your psychiatrist provides services to a Medicare patient in two different encounters on the same day of service, and the CPT® codes that you will use to report both the services are bundled under CCI with the modifier indicator '1.' Since the edit can be overridden by the use of a modifier, you would have used modifier 59 to unbundle the codes in 2014. But, for the same service occurring after Jan.1, 2015, you will be more precise if you use the XE modifier instead of 59 as the services were provided in two different encounters on the same day of service.

**Important:** CMS does not want you to play it safe and just add all the modifiers to each CCI edit you're trying to separate. "CMS views the X{EPSU} modifiers as more selective versions of modifier 59 and considers it incorrect to include both modifiers on the same line," notes **Kent Moore**, senior strategist for physician payment at the American Academy of Family Physicians. Therefore, you should not report both modifier 59 and an X{EPSU} modifier on the same line item.

### Learn to Incorporate the New Modifiers Into Practice

You will need to be aware of which of these new modifiers you will have to use in specific situations where you have been using modifier 59. Check these scenarios that will give you insight into putting these modifiers into correct use:

**Scenario 1:** Your psychiatrist performs individual psychotherapy (for a period of 45 minutes) and, on the same day, counsels the family of the patient without the patient being present during this second encounter. The focus of the second encounter is more to do with how the family should cope with the patient's problems and how their behavior will help in improving the patient's treatment outcome.

You report 90834 (Psychotherapy, 45 minutes with patient and/or family member) for the individual psychotherapy session with the patient. Since the second encounter was more focused on the family and not on the patient, you report the second encounter with the family psychotherapy code 90846 (Family psychotherapy [without the patient present]).

Since these two codes are bundled by CCI and CCI otherwise permits an appropriate modifier to override the edit, you will use the modifier XE to separate the codes as your clinician performed these services on different encounters on the same calendar date of service. "Specifically, since 90834 is the Column 2 code in the edit pair, you will append modifier XE to code 90834 to facilitate payment of it in addition to 90846 in this circumstance," Moore adds.

**Scenario 2:** Suppose both your psychiatrist and your technician subject a patient to psychological testing. You report 96101 (Psychological testing [includes psychodiagnostic assessment of emotionality, intellectual abilities, personality and psychopathology, e.g., MMPI, Rorschach, WAIS], per hour of the psychologist's or physician's time, both face-to-face time administering tests to the patient and time interpreting these test results and preparing the report) for the testing performed by your psychiatrist. For the technician administered test, you will have to report the appropriate number of units of 96102 (Psychological testing...with qualified health care professional interpretation and report, administered by technician, per hour of technician time, face-to-face) depending on the amount of time spent by the technician for the tests.

However, CCI edits bundle code 96102 into 96101 with the modifier indicator '1,' which means that you can report both the services if a suitable modifier is appended. In this case, you would append modifier XP to code 96102 to enable the payer to know that the services were performed by different practitioners, thus allowing for payment of both the services.