

## Modifier Coding Alert

### Catastrophe/Disasters: Prepare for the Worst with Modifier CR Smarts

**President must make declaration before you can use modifier.**

While no one wants to think about disasters and catastrophes, you'll have to be ready if you ever need to code for these services.

**Reason:** Your coding, and modifier usage, could change when reporting services for patients affected by the catastrophe/disaster. CMS created modifier CR (Catastrophe/disaster related) "in order to track and facilitate claims processing for disaster victims," explains **Dawn Rogers**, coding specialist at Caduceus Inc. in Jersey City, N.J.

Read on for the lowdown on when, where, and why you should use modifier CR.

#### Note Pair of Pronouncements before Choosing CR

While you might think any service related to a disaster would qualify for modifier CR, there are some very specific parameters that must be met before using the modifier. You can only use the modifier in clearly defined catastrophe/disaster situations, confirms **Mary I. Falbo, MBA, CPC**, CEO of Millennium Healthcare Consulting, Inc. in Lansdale, Pa.

In disaster/catastrophe situations, Section 1135 of the Social Security Act authorizes the Secretary of the Department of Health and Human Services (HHS) to waive or modify certain Part B Medicare, Medicaid, Children's Medicaid (CHIP), and Health Insurance Portability and Accountability Act (HIPAA) requirements. HHS allows these waivers in order to better monitor how payers process claims in these uncertain circumstances, Rogers explains.

**Caveats:** Before HHS can invoke the 1135 waiver, and you can use modifier CR, two events must occur:

1. The president must declare an emergency or disaster under the Stafford Act or the National Emergencies Act.
2. The HHS Secretary must declare a Public Health Emergency (PHE) under the Public Health Service Act.

According to Rogers, some of the most recent declarations to meet the above parameters are:

- o Floods in North Dakota (2011);
- o Storms and tornadoes in Missouri (2011);
- o Tropical Storm Lee in New York (2011); and
- o Hurricane Sandy in New York and New Jersey (2012).

The type of disaster doesn't really matter. While all of the above scenarios involve weather, you might also use the CR modifier "for mass shootings, bombings, explosions; anything that would meet the criteria for a Section 1135 waiver," explains Rogers. Once the President and Secretary make the Section 1135 waiver official, you should report modifier CR along with any services for patients affected by these catastrophes, she adds.

To see the most recent Section 1135 waiver, for Hurricane Sandy, go to:

<https://www.cms.gov/About-CMS/Agency-Information/Emergency/Signed-Renewal-of-Determination-January-25-2013.pdf>.

#### Check CMS Wants CR for Dual Purposes

According to Rogers, modifier CR is an informational modifier that could also affect payment.

CMS uses modifier CR to identify claims that are conditioned by a formal Section 1135 waiver, and the government uses the modifier to efficiently and effectively process claims in catastrophe/disaster situations.

**Best bet:** Use the modifier if you are coding for confirmed catastrophe/disaster sufferers. That way, you'll protect yourself against any denials for non-use of CR in a catastrophe/disaster area.

### **Make Effort to Know Payer Notices on Disasters**

When a Section 1135 waiver is official, CMS will notify payers of the event and provide them with the following information, says Falbo:

- A summary of the Secretary's declaration (if any);
- Specific geographic areas affected by catastrophe/disaster declarations;
- Specific instructions on which formal/informal waivers are permitted for use;
- The beginning and end dates for use of the CR modifier; and
- Other uses of the modifier that will be mandatory for the particular catastrophe/disaster.

**Best bet:** Keep an eye out for these CMS announcements to payers, so you're on the same page as they are when reporting modifier CR.