

Modifier Coding Alert

News You Can Use: Home In On 4 New Modifiers You'll Need Next Year

Dodge 59 abuse by substituting X{EPSU}.

Of all of the modifiers available for you to use, modifier 59 (Distinct procedural service) is the most used and perhaps the most misunderstood. If you tend to use 59 to override CCI bundles with a modifier indicator of "1," CMS has some news that could keep you out of hot water.

Read on to learn the critical details about four new modifiers CMS wants you to use after Jan. 1, 2015 to reduce modifier 59 misuse.

Use Modifier 59 as Your Last Resort

As you are aware, modifier 59 can separate Correct Coding Initiative (CCI) bundles, but it is not meant to be utilized solely for that reason. In fact, CMS says in Transmittal R1422 (issued on Aug. 15) that many providers misuse it for this purpose, leading the modifier to be the source of a projected one-year error rate of \$770 million. Modifier 59 should not be used just to get around the edits; it's used when a modification is not represented with any other modifier.

"Modifier 59 is to be used when there is no better modifier choice," says **Lynn M. Anderanin, CPC, CPC-I, COSC, ICD10**, senior director of coding compliance and education for Healthcare Information Services in Park Ridge, Ill.

CMS points out the following three common reasons for why you use modifier 59, along with the associated error odds, according to MLN Matters article MM8863, issued on Aug. 15:

- Infrequently used to identify a separate encounter, typically used correctly
- Less commonly utilized to define a separate anatomic site, less often used correctly
- Commonly used to define a distinct service, but frequently done so incorrectly.

Say Hello to "EPSU" Modifiers

In light of the problems that CMS has faced when dealing with modifier 59, CMS felt the need to find a solution. "The 59 modifier often overrides the edit in the exact circumstance for which CMS created it in the first place," the MLN Matters article says. "CMS believes that more precise coding options coupled with increased education and selective editing is needed to reduce the errors associated with this overpayment."

To that end, CMS has debuted the following new modifiers, known as the "X{EPSU}" modifiers:

- 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).

Pick the Best Fitting Modifier

Although the new modifiers will replace modifier 59 in specific instances, CMS won't cease accepting 59 in 2015. "CMS will not stop recognizing the 59 modifier 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 59 modifier in many instances but may selectively require a more specific X(EPSU) modifier for billing certain codes at high risk for incorrect billing."

For instance, CMS is eventually going to institute edits that will allow the XE modifier to separate a specific CCI edit pair, but won't accept modifier 59 or XU to separate that particular pair. As a way of easing into the new modifiers, CMS will initially accept either modifier 59 or the X(EPSU) modifier for a service, but "the rapid migration of providers to the more selective modifier is encouraged," the MLN Matters article notes. However, MACs can start requiring the more specific modifiers in place of modifier 59 at their convenience, so keep an eye out for local requirements.

"I believe these modifiers will be required by the Medicare contractors," says **Suzan Berman (Hauptman), MPM, CPC, CEMC, CEDC**, director of coding operations-HIM at Allegheny Health Network in Pittsburgh, Pa. "From a private payer prospective, it will be interesting to see which payers follow suit. It makes sense from several different angles included statistical, patient outcomes based, reimbursement, and clean claims processes."

Warning: Keep in mind that CMS does not want you to play it safe and just add all of the modifiers to each CCI edit you're trying to separate. Therefore, you can't report both the 59 modifier and an X(EPSU) modifier on the same line item.

The effect: "I think it [the new modifier addition] will affect reimbursement," says **Monica Gourley, CCS, HCS-D**, clinic coder at Klickitat Valley Health Services in Goldendale, Wash. While she says her practice rarely uses modifier 59, Gourley adds that she thinks they may see payment reductions on outpatient surgeries such as colonoscopies that might be billed with 59.

Resources: To read the transmittal, visit

www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R1422OTN.pdf. To read the MLN Matter article, visit

www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM8863.pdf.