

Modifier Coding Alert

You May Be Able to Blame Claim Denials on Your Payer's Software

Communicating your concerns with your payers may help.

When you have a continually denied claim for an E/M service and surgery, when the decision for surgery was made as a result of the E/M service, the reason for the denial may be because your codes were mistakenly bundled. The bundling may happen due to the payer's claims-editing software not recognizing modifier 57 (Decision for surgery).

Good news: "I have found a decrease in denials due to non-recognition of various modifiers. Practices still need to be proactive and carefully review all payer explanation of benefit for incorrect denials," observes **Marvel J. Hammer, RN, CPC, CCS-P, ACS** , **CPCO**, owner of MJH Consulting based in Denver, Co.

What to do: Talk to the payer to determine if the denial is the result of a software limitation or the denial is based on a billing rule. **Marcella Bucknam, CPC, CCS-P, CPC-H, CCS, CPC-P, CCC, COBC, CPC-I**, audit manager at CHAN Healthcare in Vancouver, Wash., recommends doing three things when a payer continually denies your claims:

- Talk to your payer representative to find out what you can do to get your claim approved. If they say their policy is to not pay for an E/M service on the day of a procedure, then take note of that and don't waste your time on what will never be paid.
- If you learn that the payer will only pay the E/M with a modifier 57 on appeal, ask them if you can group your E/Ms together and submit them once per month. "If they approve, you can save time and money by not appealing on a case by case basis," Bucknam says.
- If your reality is that you aren't going to get an E/M and a procedure paid on the same date, make sure you review your reimbursement. Some high level E/M services pay more than some minor procedures. "If you're only going to get paid for one of them, make sure it's the one that pays the most," Bucknam adds.