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# Pain Management Coding Alert

## Compliance: BCBS Carrier Cuts Modifier 25 Coverage

**Experts call Independence's new ruling 'absurd,' 'awful.'**

Pain management practices typically use modifier 25 multiple times a day, but the odds of collecting full pay for services you code just went down for some Pennsylvania coders.

**The skinny:** Pennsylvania's Independence Blue Cross Blue Shield just made some drastic reimbursement changes to its modifier 25 policy. Effective Aug. 1, Independence will reimburse claims appended with modifier 25 (Significant, separately identifiable evaluation and management service by the same physician or other qualified health care professional onthe same day of the procedure or other service) "at 50 percent of the applicable fee schedule amount" inthefollowing circumstances, the payer said in a May 1 notification:

- When the E/M service is submitted on the same date of service, by the same provider, as a minor procedure
- When a problem-focused E/M service is submitted on the same date of service, by the same provider, with a preventive E/M

In addition, Independence's notification indicates that when you're using modifier 25, "documentation for the additional E/M must be entered in a separate section of the medical record in order to validate the separate and distinct nature of the E/M service." Therefore, it appears that this payer will no longer allow you to document both the E/M and the procedure in the same sentence or paragraph of the note.

**Pay Cuts Could Be Dramatic**

Seeing your pay fall by 50 percent for E/M services with modifier 25 appended could be a drastic change for pain management practices. For example, when you report 99205 (Office or other outpatient visitfor the evaluation and management of a new patient, which requires these 3 key components: a comprehensive history; a comprehensive examination; medical decision making of high complexity ...), you normally collect about $210, based on the 2017 Medicare Physician Fee Schedule values. However, under the new Independence Blue Cross rules, that number will fall to just $105. Say you report 99205-25 twice a day at your practice - you've now lost $1,050 a week, or almost $55,000 annually, from Independence Blue Cross Blue Shield.

"This policy is absurd," says **Barbara J. Cobuzzi, MBA, CPC, CENTC, COC, CPC-P, CPC-I, CPCO,** AAPC Fellow and vice president at Stark Coding & Consulting LLC, in Shrewsbury, New Jersey. Although the policy is not a broad CMS directive, it could begin to infiltrate other payers if practices affected by it don't act quickly.

Other experts agree with Cobuzzi.

"This is very difficult and a huge hurdle for physicians," says **Suzan Hauptman, MPM, CPC, CEMC, CEDC,** AAPC Fellow, Senior Principal of ACE Med Group in Pittsburgh. "If the visit was separately identifiable, as the description indicates, the payment reduction doesn't seem fair to the providers or the patients."

This ruling also contradicts the longstanding assumption that as long as you document information appropriately in the medical record, it shouldn't matter where the notes are written, Hauptman says. "This policy indicates the visit and the procedure now have to be separately documented."

This rule "is awful," continues Hauptman. "It cuts into the bottom line of an already decreasing bottom line for physicians trying to provide appropriate healthcare to their patients."

**Consider this advice:** If you have contracts with Independence Blue Cross Blue Shield, consider approaching your state

medical society to see if this policy represents such a radical reinterpretation of contract terms that is not a legally allowable unilateral amendment without the payer getting permission from the state's department of insurance or other regulatory body. Some states have such regulations.