OALG Panel Discussion: -25 modifier

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Financial Disclosure

I have the following financial interests or relationships to disclose:

- Alcon Laboratories, Inc.: Grant Support
- Aura Biosciences: Grant Support
- Broadspot: Equity Owner
- FocusROP: Equity Owner
- GENENTECH: Grant Support
- Iconic Therapeutics: Grant Support
- interVIEW: Equity Owner, Patents/Royalty
- Novartis Pharmaceuticals Corporation: Consultant/Advisor
- Ohr Pharmaceuticals: Consultant/Advisor, Grant Support
- Otsuka Pharmaceutical Co.: Grant Support
- Phoenix Technology Group: Equity Owner
- Retinal Solutions: Equity Owner, Patents/Royalty
- Spark Therapeutics: Consultant/Advisor
- ThromboGenics, Inc.: Grant Support
-25 Modifier: Overview of existing use

• An exam modifier

• Appended to an E&M service (never a procedure) to indicate:
  o A significant and separately identifiable E&M service
    ▪ Eye codes (92XXX) as well as E&M codes (99XXX)
  o Provided on the same day as a minor surgical procedure.
    ▪ Zero to ten global days in the CMS Physician Fee Schedule.
  o Documentation satisfies the relevant criteria for the respective E/M service
-25 Modifier: Overview

• Not required for Medicare Part B new patients
• May be required by commercial plans - do not follow Medicare rules
-25 Modifier: Impacted Codes

- 67028 Intravitreal injection of a pharmacologic agent (separate procedure)
- 67101 Repair of retinal detachment - cryotherapy
- 67105 Repair of retinal detachment - photocoagulation
- 67227 Destruction of extensive or progressive retinopathy - cryotherapy
- 67228 Treatment of extensive or progressive retinopathy - PRP
Growth Of Intravitreal Drug Over The Past 20 Yrs

- Intravitreal injections performed annually in the United States* - AMA/RUC database
  - 2001 - ~4500
  - 2002 - ~15,000
  - 2005 - ~252,000
  - 2008 - >1 million
  - 2011 - >2,000,000
  - 2017 - >7 million

- Therapeutic benefit profound
Frequency Billed

2018 IRIS registry data

Procedure Codes Occurring on Same Day as 99xxx-25 or 92xxx-25

Procedure Code

Frequency

0
5M
10M
15M

65222 67028 67820 68761 76514 83861 92015 92020 92083 92133 92134 92136 92265 92250 92250 92285 99203 99212 AVAST

-25 Modifier and Intravitreal Injections

- AAO presented and published guidelines
- CMS has not notified the AAO of any disagreement
- NCCI is responsible for determining correct coding
  - Allows the use of modifier –25 for an E/M service same day as an intravitreal injection
- Factors determining whether E/M service should be billed with modifier –25
  - Examination is performed to determine the need for an injection
  - Examine the fellow eye
Common Clinical Scenarios – PRN Rx, Rx + extend

• A patient who has received prior injections returns for a scheduled examination for neovascular AMD.

• The examination indicates an additional injection is needed that day.

• Modifier –25 is appropriate in this situation.
Common Clinical Scenarios – New Symptoms

- A patient who has received multiple intravitreal injections in one eye to treat AMD returns complaining of vision changes in the companion eye.
- Examination reveals active CNV in the newly symptomatic eye.
- The left eye is injected with an anti-VEGF drug.
- Modifier –25 is appropriate in this situation.
Common Clinical Scenarios – Routine Rx

- A patient returns for a previously scheduled regular injection in the left eye.
- Ocular examination confirms the need for the injection.
- Modifier –25 is NOT appropriate in this situation.
-25 Modifier in the Cross-hairs

- CMS, payors, and the OIG have the use of modifier 25 on their watch lists
  - OIG focus on billing fraud and abuse

- Raised on multiple occasions since 2005
  - 35% of Medicare claims for modifier 25 did not meet program requirements in 2002*
    - $1.96 billion for approximately 29 million services billed using modifier 25
-25 Modifier in the Cross-hairs

- OIG Finds Overpayment on Modifier 25 Use
  - May 21, 2012 - a Burlington, Vermont health care system agreed to refund $211,000 for services from 2008 to 2010.
  - The review found that the office visit documentation frequently did not support the use of modifier 25 in conjunction with eye injections.
-25 Modifier in the Cross-hairs

• “The billing errors occurred because the providers believed in good faith that the care they provided included a separately billable E&M service. In all of the sampled claims, the provider not only assessed and prepared the patient for the eye injection and provided the injection, he or she also examined the patient’s other eye and assessed the potential effects of the patient’s other conditions, such as diabetes and hypertension, on that eye. The providers feel that this approach promotes efficient and high quality medical care, and likely reduces the need for additional visits. On further review of these claims by certified coders, however, . . . the documentation . . . did not support a separately billable E&M service because one component of the E&M service (medical decision making) was not documented regarding the eye not receiving the injection.”
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-25 Modifier in the Cross-hairs

- Continuing this trend, recently proposed restrictions
  - Medicare and commercial space
  - Disallowance of -25 entirely
  - Payment reductions despite appropriate use of -25
CMS 2019 Proposed Rule

• Recommended reducing Modifier -25 reimbursement by 50 percent to the lowest cost service when an E&M procedure occurs on the same day.
  o Justifies proposal as an extension of the Multiple Procedure Payment Reduction (MPPR)
  o Disregards work of the RUC and CMS
    ▪ 67028 is reported with either an E/M code or eye code 47% of the time

• Protests from organized medicine resulted in reversing this proposal in the Final Rule.
# Summary of Policies

<table>
<thead>
<tr>
<th>Date</th>
<th>Insurer</th>
<th>State(s)</th>
<th>Details</th>
<th>Justification</th>
<th>Action/Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>United HealthCare</td>
<td>Multiple</td>
<td>Reduce E/M by 25%</td>
<td>High utilization</td>
<td>Did not implement—AMA/organized medicine coalition sent letter in opposition.</td>
</tr>
<tr>
<td>2018</td>
<td>Blue Cross Blue Shield</td>
<td>MI</td>
<td>Reduce E/M by 20%</td>
<td>Overutilization</td>
<td>ASRS letter sent - Did not implement</td>
</tr>
<tr>
<td>2018</td>
<td>AmeriHealth</td>
<td>NJ</td>
<td>Reduce E/M by 50%</td>
<td>High utilization, overlapping cost</td>
<td>ASRS letter sent - Did not implement</td>
</tr>
<tr>
<td>2018</td>
<td>Centene (subsidiary HealthNet)</td>
<td>CA</td>
<td>Reduce E/M by 50%</td>
<td>Overlap in costs</td>
<td>Reversed policy in CA. Policy continues to be in effect for HealthNet subscribers in other states.</td>
</tr>
<tr>
<td>2018</td>
<td>Oscar Insurance Corp.</td>
<td>Multiple</td>
<td>Reduce E/M by 50%</td>
<td>Overutilization</td>
<td>Currently in effect</td>
</tr>
<tr>
<td>2017</td>
<td>Anthem</td>
<td>Multiple</td>
<td>Reduce E/M by 50%; revised proposal to reduce E/M by 25%</td>
<td>Overlap in costs</td>
<td>Did not implement – AMA/organized medicine coalition sent letter in opposition.</td>
</tr>
<tr>
<td>2017</td>
<td>Independent Blue Cross</td>
<td>PA, NJ</td>
<td>Reduce E/M by 50%</td>
<td>High utilization, overlapping cost</td>
<td>ASRS letter sent – Currently in effect</td>
</tr>
<tr>
<td>2016</td>
<td>Blue Cross Blue Shield</td>
<td>RI</td>
<td>Reduce E/M by 50%</td>
<td>Overutilization</td>
<td>Currently in effect</td>
</tr>
<tr>
<td>2015</td>
<td>Tufts Health Plan</td>
<td>MA</td>
<td>Reduce E/M by 50%</td>
<td>Overutilization</td>
<td>Currently in effect</td>
</tr>
<tr>
<td>2012</td>
<td>Harvard Pilgrim HealthCare</td>
<td>MA</td>
<td>Reduce E/M by 50%</td>
<td>Overutilization</td>
<td>Currently in effect</td>
</tr>
</tbody>
</table>
-25 modifier utilization

2018 IRIS registry data

Procedures with Modifier –25 by Year


Frequency: 0, 1M, 2M, 3M, 4M
Key Concern - Topics For Discussion

- RUC valuation process already recognizes overlap in time/work and reduces values for codes performed > 50% of the time with an E/M
- Short-sighted policies create a disincentive for physicians to provide unscheduled services
- Inconvenient for elderly patients with limited sight who depend on family and friends to provide transportation to return for an additional visit
- Ultimately increases long-term health coverage costs