Modifier 25 Muddies the Waters

The use of Modifier 25 has been under the microscope of the Office of Inspector General, Centers for Medicare and Medicaid Services, and many commercial payers for quite some time and it continues to be on their watch list. In 2002, the OIG published its Executive Summary on the use of Modifier 25 and it was found that 35% of claims did not meet the requirements to use this modifier. This resulted in $538 million in improper payments (oig.hhs.gov). Recently, there have been rumors spreading that this will find its way onto the OIG’s work plan in the near future.

Modifier 25 may be used when an evaluation and management service (E&M) is “significant and separately identifiable by the same physician on the same day of a procedure.” The NCCI manual states that “the decision to perform a minor surgical procedure is included in the payment for the procedure and should not be separately reportable.” In other words, an E&M service may be separately reportable on the same day of a procedure if the service goes above and beyond the usual pre- and post-procedure workup that is included in that procedure. The E&M service and its documentation must show the medical necessity of the service and be able to stand alone.

An example featured in the CCI manual states, “If a physician determines that a new patient with head trauma requires sutures, confirms allergy and immunization status, obtains informed consent and performs the repair, an E&M service is not separately reportable. However, if the physician also performs a medically reasonable and necessary full neurological examination, an E&M service may be separately reportable.” In the first half of this example, the physician would take a history, examine the laceration, decide if sutures were needed, prep and repair the laceration. Depending on the extent of the trauma, as demonstrated in the latter half of the example, the patient may require a full neurological exam to evaluate if a concussion was sustained and a separate plan would be developed.

CMS’s specific rules on this subject are featured in Chapter 12 Section 30.6.6 of CMS’s Internet Only Manual as well as the NCCI manual. Our J5 MAC provider WPS Medicare’s website also provides helpful information on the appropriate and inappropriate use of this modifier on their webpage for the Modifier 25 Fact Sheet.
The efforts of the Research Compliance Office are focused around developing and implementing an effective compliance program related to the research endeavors of the University. This program includes auditing, education, monitoring, reporting, and creating corrective action plans to protect the integrity of the research, the researcher and the institution. The Compliance Office considers all research projects, (internally and externally-funded) and all sponsors (federal and non-federal) in the evaluation of compliance with applicable institutional policies, accreditation standards and external regulations.

The Research Compliance Office conducts Planned Audits throughout the year based upon internal risk assessments, current research topics of concern, and the Health and Human Services Office of Inspector General Annual Work Plan. During FY2015, the Research Compliance Audit Team completed over a dozen “Planned Audits” on a wide range of compliance matters, including Allowable Costs, Clinical Trials, Conflicts of Interest, Effort Reports, Lab Trainings, and Minors in Laboratories. At any given point during the year, the Research Compliance Office was involved in three “Planned Audits” at a time.

The audit team also conducts “For-Cause Reviews” in response to specific concerns or complaints when there is credible evidence of a significant violation or misconduct. These reviews can be initiated internally in response to University administration concerns, whistleblower claims, Compliance Hotline calls, concerns brought forth by a research committee, or in response to claims by an external entity. The Research Compliance Team averaged four “For-Cause Reviews” every month in FY2015.

Beyond audits and reviews, the Research Compliance Office is home to the University’s Export Controls Officer, Michael Reeves. Michael presented dozens of educational trainings throughout the year, inside research labs, business manager meetings, and meetings of the Board of Trustees. In addition to managing Technology Control Plans and monitoring international travel, he is the University’s expert on complex federal regulations that restrict the export of goods, technology, information and data.

The team also tackled many compliance matters through collaborations with other University offices, including offices within the Research Division, as well as with other SLU offices, such as the International Office, Human Resources, ITS, and the Executive Office of SLUCare. We found individuals across campus committed to research compliance concerns and striving to protect the integrity of the University’s research.

Mid-Level Providers:  
What You Need to Know

The Compliance Team would like to thank all of the participants and attendees at the Non-Physician Practitioners (NPP) seminar(s) for making it a great success.

We have created a Seminar FAQ page on our website. Visit this page to see answers to questions we received and a link to view the seminar. If you have a question not listed, feel free to send it to us and we will continue to post questions and answers we receive.

A NPP Task Force is being created that will include physicians, physician assistants, nurse practitioners, SLUCare Admin., PMO, and the Compliance Auditors. The task force is designed to consider SLUCare’s approach to defining, reporting, and managing the NPPs in a uniform manner across the practice.

We look forward to utilizing the SLUCare NPPs to the top of their license while fulfilling all state and federal requirements. If you have any question we want to hear from you.