

## **Horizon BCBS Hit with Modifier 25 & 59 Compliance Dispute**

Horizon Blue Cross Blue Shield of New Jersey (HBCBSNJ) has released a February 2010 memo detailing changes to their modifier payment policy. Two commonly used modifiers, 25 and 59, had changes that have negatively impacted their reimbursement levels.

As a result, the Medical Society of New Jersey (MSNJ) has filed a compliance dispute against Horizon alleging multiple violations of the national class-action settlement agreement concerning these modifiers.

The Horizon BCBSNJ memo announced that this change will become effective on May 17, 2010, and will recognize services submitted with a variety of modifiers as “nonstandard” and “not performed” or pay for the services at significantly discounted amounts.

The class action settlement dictated that Horizon was supposed to post on its web site the limited number of finite code combinations not appropriately reported together for separate payment of modifiers 25 and 59.

Horizon has not posted this list but, instead, has announced this across-the-board policy of recognizing modifiers 25 and 59 appended procedures as “nonstandard.” They are also conducting chart and claim audit review of some physicians’ services submitted with a modifier 25 asserting over-utilization, without first having provided notice of the limited number of finite code combinations not appropriately reported together for separate payment of modifier 25. The compliance dispute filed by MSNJ requests that the carrier cease these audits until it has first complied with the settlement agreement’s notice requirement by posting the limited list. MSNJ will be posting the full text of the compliance dispute on their web site shortly.

In the meantime, if you believe that you have an additional violation, please contact MSNJ via e-mail at [info@msnj.org](mailto:info@msnj.org).

Put “Horizon Compliance Dispute” in the subject line or call Melinda Martinson, MSNJ, Senior Manager, Physician Practice Advocacy, at (609) 896 1766, ext. 276.

For your information and review, the full HBCBSNJ policies on the modifiers in controversy are located at the link below.

Modifier 25

[https://services5.horizon-bcbsnj.com/eprise/main/horizon/tsnj/tswb/uploadimages/upload/Modifier\\_25.pdf](https://services5.horizon-bcbsnj.com/eprise/main/horizon/tsnj/tswb/uploadimages/upload/Modifier_25.pdf)

Modifier 59

[https://services5.horizon-bcbsnj.com/eprise/main/horizon/tsnj/tswb/uploadimages/upload/Modifier\\_59.pdf](https://services5.horizon-bcbsnj.com/eprise/main/horizon/tsnj/tswb/uploadimages/upload/Modifier_59.pdf)

For guidance on this issue, contact us through the Third Party Insurance Help Program.