



**State of Vermont**  
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**VIA ELECTRONIC MAIL**

September 20, 2023

Lou McLaren  
Director, Provider Services  
Blue Cross Blue Shield of Vermont

Susan E. Ridzon, MS  
Executive Director  
HealthFirst, Inc.

**Re: Proposed Agenda for September 27, 2023, Claims Edit Meeting**

Dear Lou and Susan,

Please find below a proposed agenda for our September 27, 2023 to discuss Blue Cross Blue Shield of Vermont's (BCBSVT) application of claims edits to claims with modifier 25 or 59.

For the reasons explained below, our discussion will focus on implementation of the claims edit and communication to providers—not whether the edit complies with Vermont law. Under 18 V.S.A. § 9418a:

(b) When editing claims, health plans, contracting entities, covered entities, and payers shall adhere to edit standards except as provided in subsection (c) of this section:

- (1) the CPT, HCPCS, and NCCI;
- (2) national specialty society edit standards; or
- (3) other appropriate nationally recognized edit standards, guidelines, or conventions approved by the Commissioner.

The [guidance](#) for the NCCI tools states:

Modifiers consist of 2 alphanumeric characters. You should only apply modifiers to HCPCS/CPT codes *if the clinical circumstances justify using them*. You shouldn't apply a modifier to a HCPCS/CPT code just to bypass an MUE or PTP code pair edit if the clinical circumstances don't justify using it. (emphasis added)

In the context of modifier 25, the AMA drafted an [issue brief](#) noting that:



While CPT does not outline required documentation for modifier 25, its use indicates that documentation is available in the patient's record to support the reported E/M service as distinct and separately identifiable.

The issue brief goes on to note that private payers have enforced policies related to modifier 25 including requiring submission of documentation related to the claim.

Finally, the [AMA's guidance](#) on reporting modifier 25 states that:

**Significant, separately identifiable E/M services should be documented.** A significant, separately identifiable E/M service is defined or substantiated by documentation that satisfies the relevant criteria for the respective E/M service to be reported.

AMA guidance for modifier 59, which applies to non-E/M services is substantially similar.

With this background in mind, the Department proposes using our time together to discuss the following broad topics:

- Communication Issues
  - Can BCBSVT amend [payment policy 32](#) to more clearly explain to providers how to appropriately code claims or submit clinical documentation in order to satisfy the claims edit?
  - To the extent that providers are going to be removed from the edit:
    - How have these providers been notified?
    - How many providers will remain subject to the edit?
    - When will the exclusion take effect?
    - Does the exclusion encompass modifiers other than 25 and 59?
  - Can BCBSVT offer file transfer options to more readily transmit clinical information to small providers who have a significant percentage of claims subject to the edit?
  - Are there increased call wait times to contact provider services to get information on submitted claims?
- Technical Issues
  - To what extent is billing modifiers 25 and 59 without “documentation that satisfies the relevant criteria for the respective E/M [or CPT] service to be reported” accepted billing practice?
  - Are denied claims billing modifiers 25 and 59 failing to show a significant, separately identifiable E/M or CPT service on the same claims line? If so, why doesn't that satisfy the code descriptors for 25 and 59?
  - What progress is BCBSVT making on automating provider-level reports showing more detailed explanations of how the claims edit was applied?
  - rejections for invalid ICD-10 as primary diagnosis?
  - requirement to add laterality modifiers onto all procedure code?



- Process Issues
  - Could we have improved the process by which providers were advised of the claims edit and what needed to be done to have claims reimburse as expected?
  - To the extent that provider education is needed, can provider groups work more closely with BCBSVT to provide materials and/or trainings to their members?

If there are other items you would like to discuss please let me know no later than COB on Friday, September 22, 2023.

Thank you,

/s/ E. Sebastian Arduengo

E. Sebastian Arduengo (he/him/his)  
Assistant General Counsel  
Director of External Appeals

cc:

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