

**Affected Programs:** BadgerCare Plus, Medicaid, Wisconsin Chronic Disease Program  
**To:** Hospital Providers, HMOs and Other Managed Care Programs

## Appropriate Modifiers and Most Specific Diagnosis Codes Required on Outpatient Hospital Claims

Effective for dates of service on and after August 1, 2012, outpatient hospital providers are required to include all modifiers appropriate to the services or procedures being billed on an outpatient claim. Appropriate modifiers are those used in accordance with common coding principles and ForwardHealth policies. For example, modifier 25 (Significant, separately identifiable evaluation and management service by the same physician on the same day of the procedure or other service) would be used to differentiate a separately identifiable procedure that might otherwise be considered a duplicate procedure. Outpatient claims lacking appropriate modifiers may be priced incorrectly or denied.

In addition, providers are reminded to indicate valid, most specific *International Classification of Diseases, Ninth Revision, Clinical Modification* diagnosis codes on claims for outpatient services. Valid, most specific diagnosis codes may have up to five digits. Claims submitted with three- or four-digit codes where four- and five-digit codes are available will be denied.

These changes are part of the preparation for a new claim pricing structure, known as Enhanced Ambulatory Patient Grouping (EAPG), which is scheduled to be implemented January 1, 2013. A future *ForwardHealth Update* will outline additional policy revisions that will be implemented with EAPG.

Providers with questions regarding EAPG may e-mail them to [vedseapgsupport@wisconsin.gov](mailto:vedseapgsupport@wisconsin.gov).

The *ForwardHealth Update* is the first source of program policy and billing information for providers.

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Health Care Access and Accountability, Wisconsin Department of Health Services (DHS). The Wisconsin Well Woman Program is administered by the Division of Public Health, Wisconsin DHS.

For questions, call Provider Services at (800) 947-9627 or visit our Web site at [www.forwardhealth.wi.gov/](http://www.forwardhealth.wi.gov/).

P-1250