Modifier Fraud: 25, 26, 76, 77 and TC

Chief Business Office Purchased Care
Department of Program Integrity (DPI)

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Objectives

- Definition of modifiers: 25, 26, 76, 77 and TC
- Identify fraudulent billing practices
Overview

Providers using modifiers:

- Modifiers are an important tool for coding and billing health care services
- In an effort to increase profit, providers are using modifiers more than ever; which makes VA Health Care Programs more vulnerable
## Definitions of Modifiers

<table>
<thead>
<tr>
<th>Modifier</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>Significant, separately identifiable evaluation and management (E/M) services by the same physician on the same day of the procedure or other service.</td>
</tr>
<tr>
<td>26</td>
<td>Professional Component refers to certain procedures that are a combination of a physician component and a technical component.</td>
</tr>
<tr>
<td>76</td>
<td>Repeat producer by the same physician; use when it is necessary to report repeat procedures performed on the same day.</td>
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<tr>
<td>77</td>
<td>Repeat procedure or service by another physician or qualified health care professional.</td>
</tr>
<tr>
<td>TC</td>
<td>This modifier identifies the technical component of certain services that combine both the professional and technical portions in one procedure code. Using modifier TC identifies the technical component.</td>
</tr>
</tbody>
</table>

Table of modifiers and the definitions of each utilized in billing practices.
Modifier 25 (Example 1)

Professional Claim: Office visit ~ Evaluation & Management
## Modifier 26 (Example 2)

### Professional Claim: Mammography ~ Professional Component

![Chart showing professional claim with example codes and diagnoses.](chart.png)
## Modifier 76/77 (Example 3)

**Professional Claim: Radiology ~**
Repeat procedure by the same/different physician

![Form Example](image)
Professional Claim: Mammography ~ Technical Component
**Example of Payment Rates for the TC, 26, Global Rates:**

<table>
<thead>
<tr>
<th>CPT Code</th>
<th>Modifier</th>
<th>Component</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>76705</td>
<td>26</td>
<td>Professional</td>
<td>$28.24</td>
</tr>
<tr>
<td>76705</td>
<td>TC</td>
<td>Technical</td>
<td>$82.00</td>
</tr>
<tr>
<td>76705</td>
<td>Global</td>
<td>Professional + Technical</td>
<td>$110.23</td>
</tr>
</tbody>
</table>
Conclusion

- Provided definitions for modifiers: 25, 26, 76, 77 and TC
- Identified fraudulent modifier billing practices
- When claims are received with incorrect modifier usage; do not pay it
- [http://www.wpsmedicare.com/part_b/resources/modifiers/](http://www.wpsmedicare.com/part_b/resources/modifiers/)
Veterans Affairs manages several health care programs that reimburse private health care providers for caring for our Veterans and their eligible family members. Unfortunately these health care programs have a different statutory and regulatory authority, which creates diverse payment methodologies. The majority of VA health care programs utilize Medicare’s payment methodologies or something very similar. Therefore, providers and facilities that utilize Medicare’s billing and coding guidelines will greatly minimize claim delays or rejections as a result of the Program Integrity Tools fraud and abuse review. The following Medicare link is an excellent source of billing and coding guidance for all providers and facilities:

Medicare Claim Processing Guide