



Stephen G. Friedhoff, MD,
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August 15, 2019

Minh Q. Nguyen, DO, FACOEM
President
Osteopathic Physicians and Surgeons of California
2015 H Street
Sacramento, CA 95811

Dear Dr. Nguyen:

I am writing in response to your letter of June 27, 2019, on behalf of the Osteopathic Physicians and Surgeons of California (OPSC) regarding an update issued by some of Anthem, Inc.'s ("Anthem" or "the Company") affiliated health plans to impacted network providers related to evaluation and management (E/M) services billed with Current Procedural Terminology (CPT) Modifier 25. We appreciate the opportunity to provide additional clarification, as requested in your letter.

At the outset, we underscore that the update in question is not a new reimbursement policy. And, to clarify any potential confusion, we also stress that the update is not the same as the Modifier 25 initiative that Anthem announced in February 2018 it would not pursue.

The purpose of this update is to avoid overpaying claims when Modifier 25 is used inappropriately to override claim edits, and prevent duplicate payment for the E/M service. If an impacted care provider believes a claim should be reprocessed, the provider can dispute the claim and Anthem will review submitted medical records for support of a significant and separately identifiable E/M service. With respect to the two clinical scenarios described in your letter of June 27, 2019, we are happy to discuss in more detail by phone or in person, at your convenience.

As explained in the provider notification, Anthem will deny an E/M service billed with Modifier 25 (which overrides claim edits) on the day of a minor procedure or service when an E/M was also billed with the same or similar diagnosis within approximately the previous two months. Anthem defines same/similar as having a primary diagnosis in the same family. Further, this update does not change the definition of Modifier 25 or Anthem's reimbursement policy on the appropriate use of that modifier. A provider may be reimbursed for Modifier 25 if there is a significant and separately identifiable E/M service. For example, if a provider performs a follow-up procedure to treat a primary diagnosis that was identified during a recent face-to-face visit, and encounters another medical concern that is unrelated to the primary diagnosis for treatment during that procedure, it would be appropriate to bill Modifier 25.

Anthem appreciates the opportunity to maintain an open dialogue with the OPSC and the American Osteopathic Association (AOA), and we welcome the opportunity to answer any additional questions or concerns regarding this update. Please direct your staff to contact Samuel Marchio, Regional Vice President of Federal Affairs at 202-628-7831 or via email at Samuel.Marchio@Anthem.com to coordinate any future discussions.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen G. Friedhoff". The signature is fluid and cursive, with the first name "Stephen" being more prominent and the last name "Friedhoff" following in a similar style.

Stephen G. Friedhoff, MD
Senior Vice President and
Chief Clinical Officer