Correct Coding Under Review
Modifier 25 Usage

Modifier 25 is an Office of the Inspector General (OIG) workplan focus area for 2013. We have noticed our providers are using modifier 25 on Evaluation and Management (E&M) codes (99201-99499) more aggressively and urge all to confirm they understand the correct usage of modifier 25.

**Modifier 25: Significant, separately identifiable evaluation and management (E&M) service by the same physician* on the day of a procedure**

MEDDATA/MEDTRON (MDS/MSI) has developed an informational packet on E&M coding, pulled together from various sources, available for our providers to review via our website, under the MEDTRON User Guide section, http://www.medtronsoftware.com/User%20Guides/E&M_Resources/E&M_Information_Packet_General.pdf. Below we have listed some additional tips to assist you in correctly using modifier 25. Please review this information and confirm your staff’s understanding of the use of modifier 25.

**IF MODIFIER 25 IS NOT TRULY WARRANTED FOR THE E&M, IT MAY BE BEST TO AVOID ITS USE (WHEN NOT NEEDED), AS THE FREQUENCY OF ITS USE IS WHAT IDENTIFIES A PRACTICE AS A POTENTIAL AUDIT CANDIDATE.**

Novitas defines Modifier 25 as a Significant, Separately Identifiable Evaluation and Management Service by the Same Physician on the Day of a Procedure or Other Service. It may be necessary to indicate that on the day a procedure or service, identified by a CPT code, is performed, the patient’s condition required a significant, separately identifiable E&M service above and beyond the other service provided or beyond the usual pre-operative and post-operative care associated with the procedure bearing a Global Surgery Period (GSP) is performed.

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. The E&M service may be prompted by the symptom or condition for which the procedure and/or service was provided. As such, different diagnoses are not required for reporting of the E&M services on the same date. This circumstance may be reported by adding modifier 25 to the appropriate level of E&M service.

The key to separately reporting the E&M service lies in whether the provider performed work beyond what is customarily considered to be ‘part of the global procedure’ performed on the same day.

The CPT manual states: “The E&M service may be prompted by the symptom or condition for which the procedure and/or service was provided. Therefore, different diagnoses are not required for reporting of the E&M services on the same date.” However, the different diagnosis scenarios better support the use of modifier 25. (Part B Insider 2010, Vol 11, #13)
The NCCI Manual addresses the question, on when an E&M code is separately reported with a procedure, regardless of whether the patient is new to the provider or not:

“If a procedure has a global period of 000 or 010 days, it is defined as a minor surgical procedure. The decision to perform a minor surgical procedure is included in the payment for the minor surgical procedure and should not be reported separately as an E&M service.

NOTE: Modifier 25 is not used to report an E&M service that resulted in a decision to perform a major surgery, a procedure with a global surgery period (GSP) of 90 days. See modifier 57.
For significant, separately identifiable non-E&M services, see modifier 59.

If a procedure has a global period of 90 days, it is defined as a major surgical procedure. If an E&M is performed on the same date of service as a major surgical procedure for the purpose of deciding whether to perform this surgical procedure, the E&M service is separately reportable with modifier 57, not a 25 modifier. Other E&M services on the same date of service as a major surgical procedure are included in the global payment for the procedure and are not separately reportable. NCCI does not contain edits based on this rule because Medicare Carriers (A/B MACs processing practitioner service claims) have separate edits.

However, a significant and separately identifiable E&M service unrelated to the decision to perform the minor surgical procedure is separately reportable with modifier 25. The E&M service and minor surgical procedure do not require different diagnoses. If a minor surgical procedure is performed on a new patient, the same rules for reporting E&M services apply. The fact that the patient is “new” to the provider is not sufficient alone to justify reporting an E&M service on the same date of service as a minor surgical procedure. NCCI does contain some edits based on these principles, but the Medicare Carriers (A/B MACs processing practitioner service claims) have separate edits.

Neither the NCCI nor Carriers (A/B MACs processing practitioner service claims) have all possible edits based on these principles. Example: If a physician determines that a new patient with head trauma requires ‘treatment’, confirms the allergy and immunization status, obtains informed consent and performs the repair, an E&M service is not separately reportable. However, if the physician also performs a medically reasonable and necessary full neurological examination, an E&M service may be separately reportable.” (010212 Part B News Online article)

![Modifier 25 Flow Chart](image)
MODIFIER 25 – USE IT ... DON’T ABUSE IT!!

The use of modifier 25 has specific requirements (American Academy of Pediatrics (AAP) Modifier 25 Primer 2012 article):

- **The E&M service must be significant.** The problem must warrant physician work that is medically necessary. This can be defined as a problem that requires treatment with a prescription or a problem that would require the patient or family to return for another visit to address it. A minor problem or concern would not warrant the billing of an E&M -25 service.

- **The E&M service must be separate.** The problem must be distinct from the other E&M service provided (i.e., preventive medicine) or the procedure being performed. Separate documentation for the E&M-25 problem is helpful in supporting the use of modifier 25 and especially important to support any necessary denial appeal.

- **The E&M service must be provided on the same day as the other procedure or E&M service.** This may be at the same encounter or a separate encounter on the same day.

- **Modifier 25 should always be attached to the E&M code.** If provided with a preventive medicine visit, it should be attached to the established office E&M code (99211–99215).

- **The separately billed E&M service must meet documentation requirements for the code level selected.**

Resources:

Review previously published educational news blast with flowchart related to Modifier 25 billing. Correct Coding Under Review (Part 1), Evaluation & Management (E&M), CPT 99201-99499


Contact Software Support for assistance or any questions via:

- Email: From MEDPM or MEDEHR Sign On screens, double click on ‘support@medtronsoftware.com’
- Phone: (985) 234-0599 (local) or (800) 978-0599 (toll free)
- Fax: (985) 234-0609