

Modifier 25

Purpose

This policy is intended to ensure correct provider reimbursement and serves only as a general resource regarding Molina Healthcare's reimbursement policy for the services described in this policy. It is not intended to address every aspect of a reimbursement situation, nor is it intended to impact care decisions. This policy was developed using nationally accepted industry standards and coding principles. In a conflict, federal and state guidelines, as applicable, and the member's benefit plan document supersede the information in this policy. Also, to the extent of conflicts between this policy and the provider contract language, the Provider contract language will prevail. Coverage may be mandated by applicable legal requirements of a State, the Federal government or the Centers for Medicare and Medicaid Services (CMS). References included were accurate at the time of policy approval.

Overview

The edit identifies claim lines that contain an E/M code submitted without modifier 25 on the same date of service as a minor surgical procedure (000- or 010-day global period).

CMS includes payment in the global surgical package of a minor surgery (000- or 010-day global period) for the initial consultation or the evaluation of the problem done on the same date of service as the procedure. The initial service may be reported in addition to the minor procedure on the same date of service only if it is determined to be beyond the normal pre- and post-operative work required for the procedure. Modifier 25 should be appended to the E/M service code to show that it was a significant, separately identifiable service from the procedure.

- Modifier 25 is used to facilitate billing of E/M services on the day of a procedure for which separate payment may be made.
- It is used to report a significant, separately identifiable E/M service by the same physician on the day of a procedure.
- Modifier 25 should only be appended to E/M codes.

Policy

All minor procedures include an E/M component as an integral part of the procedure for reviewing the patient's health and the medical necessity. CMS and the Relative Value Update Committee assign relative value units (RVU) for minor procedures.

The data elements which are included in the relative value unit (RVU) for the minor procedure include the inherent pre-service work, the intra-service time, and the post-procedure work usually performed each time the procedure is rendered; therefore, the E/M should not be reported separately unless the E/M is significant and separately identifiable.

The key requirement of a "significant and separately identifiable" E/M service is that the work for the E/M service is substantially more and different than the typical preoperative and postoperative E/M work included in the minor procedure, for example the patient's condition required work above and beyond the minor procedure being provided or there is a separate condition which is unrelated to the minor procedure.

Modifier 25 indicates that additional reimbursement is needed to account for significantly more E/M work beyond the usual pre-service, intra-service, and post-procedure care. The additional E/M service should be able to stand alone as a separate problem focused E/M. If the diagnosis is the same, the E/M should reflect that the physician performed a service beyond the usual work associated with the procedure.



Per the American Medical Association (AMA):

“Pre- and post-operative services typically associated with a procedure include the following and cannot be reported with a separate E/M services code:

- Review of patient’s relevant past medical history
- Assessment of the problem area to be treated by surgical or other service
- Formulation and explanation of the clinical diagnosis
- Review and explanation of the procedure to the patient, family, or caregiver
- Discussion of alternative treatments or diagnostic options
- Obtaining informed consent
- Providing postoperative care instructions
- Discussion of any further treatment and follow up after the procedure.”

Documentation History

Type	Date	Action
Effective Date		New Policy
Revised Date		Updated links

References

Government Agencies

<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c12.pdf>

<https://www.cms.gov/files/document/medicare-ncci-policy-manual-2023-chapter-12.pdf>

<https://www.cms.gov/files/document/medicare-ncci-policy-manual-2023-chapter-11.pdf>

Professional Society Guidelines and Other Publications

<https://www.ama-assn.org/system/files/reporting-CPT-modifier-25.pdf>

Supplemental Information

Definitions

Term	Definition
Modifier 25	Significant, Separately Identifiable Evaluation and Management Service by the Same Physician or Other Qualified Health Care Professional on the Same Day of the Procedure or Other Service, is used when distinct services are performed on the same day.