

POLICY/PROCEDURE NO.: B-18Effective date: Oct. 25, 2007**Policies and Procedures: Modifier 25**

**Section: Compliance**  
**Chapter: Administration**  
**Policy: Modifier 25**

**I. PURPOSE**

To establish a policy which promotes accuracy in billings using Modifier 25.

**II. APPLICABILITY**

This policy applies to all WVUPC employees and to all individuals/entities entering into contracts to do business with WVUPC.

**III. STATEMENT OF POLICY**

According to the OIG's recent work plans, the Centers for Medicare & Medicaid Services (CMS) has overpaid significant federal health care dollars for services billed with a -25 modifier. Consequently, this modifier is one which is frequently audited by federal payers.

In all cases, WVUPC strives to ensure the proper use of all modifiers, including the -25 modifier. The modifier -25 is to be used with a significant, separately identifiable Evaluation and Management (E/M) service by the same physician on the same day of the procedure or other service. All services billed by WVUPC with this modifier shall have appropriate documentation.

**IV. PROCEDURE****1. CPT Modifier 25 – Significant Evaluation and Management Service by Same Physician on Date of Global Procedure:**

- a. Medicare requires that CPT Modifier -25 should only be used on claims for E/M services, and only when those services are provided by the same physician (or same qualified non-physician practitioner) to the same patient on the same day as another procedure or other service. Carriers pay for an E/M service provided on the day of a procedure with a global fee period if the physician indicates that the service is for a significant, separately identifiable E/M service that is above and beyond the usual pre- and post-operative work of the procedure.
- b. Different diagnoses are not required for reporting the E/M service on the same date as the procedure or other service. Modifier -25 is added to the E/M code only on the claim.
- c. Both the medically necessary E/M service and the procedure must be appropriately and sufficiently documented by the physician or qualified non-physician practitioner in the patient's medical record to support the

POLICY/PROCEDURE NO.: B-18Effective date: Oct. 25, 2007

claim for these services, even though the documentation is not required to be submitted with the claim.

- d. If the significant separately identifiable E/M service occurs during a post-procedure global coverage period, but not on the same day of the procedure, use modifier -24.
- e. Modifier -25 should be appended to E/M codes only and not to surgery/global or other service codes, and should not be submitted with E/M codes that are explicitly for new patients only: CPT codes 92002, 92004, 99201-99205, 99281-99285, 99321-99323, and 99341-99345.

**2. Significant, separately identifiable E/M service on the same day as a preventative service:** If a significant separately identifiable evaluation and management (E&M) service is performed on the same day as a preventative service, the appropriate E&M service code should be reported utilizing modifier -25, and should then reflect the level of care/service/time that distinguishes that E&M from the preventive physical exam.

**3. Adequate documentation as an E/M service.** E/M services for established visits require two of three key components: history, exam and medical decision-making. Documenting only the evaluation of a separate problem without documenting the management component (what was done about the problem) is incomplete and would be denied as an E/M service, with or without the -25 modifier. Just identifying the findings without medical decision-making does not meet the E/M criteria.

**4.** Services billed using this modifier shall comply with the clarification provided in CR 5025, the *Medicare Claims Processing Manual*, Publication 1-00-04, Chapter 12, Section 30.6.6.

**5.** Change Request (CR) 5025 is the official instruction issued by CMS to Medicare Carriers regarding changes and clarifications relating to Modifier -25. It may be found by going to:  
<http://www.cms.hhs.gov/Transmittals/downloads/R954CP.pdf>

**V.** Amendment or Termination of this Policy

This policy may be amended or terminated at any time.

**VI. References**

POLICY/PROCEDURE NO.: B-18

Effective date: Oct. 25, 2007

- CMS Manual System Pub 100-04, CR 5025
- CMS MLN Matters, MM5025
- [www.palmettogba.com](http://www.palmettogba.com) (Modifier 25 Guidance)