Correct Use of Modifier -25

This communication will define and discuss correct use of modifier -25 and the required documentation guidelines.

Definition Modifier -25

Significant, Separately Identifiable Evaluation and Management Service by the Same Physician on the Same Day of the Procedure or Other Service.

It may be necessary to indicate that on the day a procedure or service was performed (identified by a CPT code), that the patient’s condition required a significant, separately identifiable E/M service above and beyond the other procedure or service performed or beyond the usual care associated with the procedure performed. This circumstance may be reported by adding modifier -25 to the appropriate level of E/M service.

- Medicare has found that 35% of claims using modifier -25 did not meet requirements.
- The documentation for the E/M service must fulfill the AMA/CPT documentation requirements of history, examination and decision-making.
- The time spent performing the procedure cannot be included in the time spent performing the separate and distinct E/M service.
- Separate the documentation for the procedure and E/M so you clearly show the procedure was distinct from the E/M service.
- Remember, there’s an inherent Evaluation and Management service in every procedure. Pre and post procedure work is inclusive and does not warrant billing an E/M service.

DENIAL CODES PARAMOUNT WILL USE WHEN MODIFIER -25 IS NOT USED CORRECTLY

Initial Processing Denial Codes

GJ (PAYMENT INCLUDED IN ALLOWANCE FOR ANOTHER PROCEDURE/SERVICE)

Used when an E/M service is reported with a 0 or 10-day minor surgical procedure.

ME (SERVICE MUTUALLY EXCLUSIVE TO OTHER PROCEDURES REPORTED)

Used when a modifier -25 is added to an E/M service and another more extensive E/M service has already been reported for the same patient encounter.

MU (MODIFIER IS NOT VALID FOR PROCEDURE, REBILL)

Used if modifier -25 is appended to any surgical service as it is only to be appended to E/M service

Initial and/or Post-review Denial Code

IS (INTENSITY OF E/M SERVICE IS GREATER THAN EXPECTED)

Used when level of service is not supported

Post-Review Denial Code

EA (SERVICE REPORTED NOT IN CHART OR OP REPORT – REBILL)

AUDIENCE: ALL PHYSICIANS

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