

## Use of Modifier 25 – 2017 Medicare Physician Fee Schedule Proposed Rule

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The Centers for Medicare & Medicaid Services (CMS) and the Office of Inspector General (OIG) have reviewed the use of Modifier 25 to unbundle payments for evaluation and management (E/M) services when a procedure is performed. In the 2017 Medicare Physician Fee Schedule Proposed Rule<sup>1</sup>, CMS has identified 83 target codes for review. Modifier 25 should only be used when services are provided beyond those considered to be part of the procedure performed. The over use of Modifier 25 was noted by the OIG in 2005<sup>2</sup>. In the 2005 report the OIG found that 35% of the claims using Modifier 25 did not meet the billing guidelines, resulting in improper payments. The specific listing of the 83 target codes in the 2017 Proposed Rule could mean increased auditing of the use of Modifier 25. The codes targeted are listed below in Table 7 from the proposed rule.

**TABLE 7: 0-day Global Services that are Typically Billed with an Evaluation and Management (E/M) Service with Modifier 25**

HCPCS Long Descriptor	
11000	Removal of inflamed or infected skin, up to 10% of body surface
11100	Biopsy of single growth of skin or tissue
11300	Shaving of 0.5 centimeters or less skin growth of the trunk, arms, or legs
11301	Shaving of 0.6 centimeters to 1.0 centimeters skin growth of the trunk, arms, or legs
11302	Shaving of 1.1 to 2.0 centimeters skin growth of the trunk, arms, or legs
11305	Shaving of 0.5 centimeters or less skin growth of scalp, neck, hands, feet, or genitals
11306	Shaving of 0.6 centimeters to 1.0 centimeters skin growth of scalp, neck, hands, feet, or genitals
11307	Shaving of 1.1 to 2.0 centimeters skin growth of scalp, neck, hands, feet, or genitals
11310	Shaving of 0.5 centimeters or less skin growth of face, ears, eyelids, nose, lips, or mouth



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11311	Shaving of 0.6 centimeters to 1.0 centimeters skin growth of face, ears, eyelids, nose, lips or mouth
11312	Shaving of 1.1 to 2.0 centimeters skin growth of face, ears, eyelids, nose, lips, or mouth
11740	Removal of blood accumulation between nail and nail bed
11755	Biopsy of finger or toe nail
11900	Injection of up to 7 skin growths
11901	Injection of more than 7 skin growths
12001	Repair of wound (2.5 centimeters or less) of the scalp, neck, underarms, trunk, arms or legs
12002	Repair of wound (2.6 to 7.5 centimeters) of the scalp, neck, underarms, genitals, trunk, arms or legs
12004	Repair of wound (7.6 to 12.5 centimeters) of the scalp, neck, underarms, genitals, trunk, arms or legs
12011	Repair of wound (2.5 centimeters or less) of the face, ears, eyelids, nose, lips, or mucous membranes
12013	Repair of wound (2.6 to 5.0 centimeters) of the face, ears, eyelids, nose, lips, or mucous membranes
17250	Application of chemical agent to excessive wound tissue
20526	Injection of carpal tunnel
20550	Injections of tendon sheath, ligament, or muscle membrane
20551	Injections of tendon attachment to bone
20552	Injections of trigger points in 1 or 2 muscles
20553	Injections of trigger points in 3 or more muscles
20600	Aspiration or injection of small joint or joint capsule



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20604	Arthrocentesis, aspiration or injection, small joint or bursa (eg, fingers, toes); with ultrasound guidance, with permanent recording and reporting
20605	Aspiration or injection of medium joint or joint capsule
20606	Arthrocentesis, aspiration or injection, intermediate joint or bursa (eg, temporomandibular, acromioclavicular, wrist, elbow or ankle, olecranon bursa); with ultrasound guidance, with permanent recording and reporting
20610	Aspiration or injection of large joint or joint capsule
20611	Arthrocentesis, aspiration or injection, major joint or bursa (eg, shoulder, hip, knee, subacromial bursa); with ultrasound guidance, with permanent recording and reporting
20612	Aspiration or injection of cysts
29105	Application of long arm splint (shoulder to hand)
29125	Application of non-moveable, short arm splint (forearm to hand)
29515	Application of short leg splint (calf to foot)
29540	Strapping of ankle or foot
29550	Strapping of toes
30901	Simple control of nose bleed
30903	Complex control of nose bleed
31231	Diagnostic examination of nasal passages using an endoscope
31238	Control of nasal bleeding using an endoscope
31500	Emergent insertion of breathing tube into windpipe cartilage using an endoscope
31645	Aspiration of lung secretions from lung airways using an endoscope
31575	Diagnostic examination of voice box using flexible endoscope
31579	Examination to assess movement of vocal cord flaps using an endoscope from lung



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	airways using and endoscope
32551	Removal of fluid from between lung and chest cavity, open procedure
32554	Removal of fluid from chest cavity
40490	Biopsy of lip
43760	Change of stomach feeding, accessed through the skin
45300	Diagnostic examination of rectum and large bowel using an endoscope
46600	Diagnostic examination of the anus using an endoscope
51701	Insertion of temporary bladder catheter
51702	Insertion of indwelling bladder catheter
51703	Insertion of indwelling bladder catheter
56605	Biopsy of external female genitals
57150	Irrigation of vagina or application of drug to treat infection
57160	Fitting and insertion of vaginal support device
58100	Biopsy of uterine lining
64405	Injection of anesthetic agent, greater occipital nerve
64418	Injection of anesthetic agent, collar bone nerve
64455	Injections of anesthetic or steroid drug into nerve of foot
65205	Removal of foreign body in external eye, conjunctiva
65210	Removal of foreign body in external eye, conjunctiva or sclera
65222	Removal of foreign body, external eye, cornea with slit lamp examination
67515	Injection of medication or substance into membrane covering eyeball



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67810	Biopsy of eyelid
67820	Removal of eyelashes by forceps
68200	Injection into conjunctiva
69100	Biopsy of ear
69200	Removal of foreign body from ear canal
69210	Removal of impact ear wax, one ear
69220	Removal of skin debris and drainage of mastoid cavity
92511	Examination of the nose and throat using an endoscope
92941	Insertion of stent, removal of plaque or balloon dilation of coronary vessel during heart attack, accessed through the skin
92950	Attempt to restart heart and lungs
98925	Osteopathic manipulative treatment to 1-2 body regions
98926	Osteopathic manipulative treatment to 3-4 body regions
98927	Osteopathic manipulative treatment to 5-6 body regions
98928	Osteopathic manipulative treatment to 7-8 body regions
98929	Osteopathic manipulative treatment to 9-10 body regions
G0168	Wound closure utilizing tissue adhesive(s) only
G0268	Removal of impacted cerumen (one or both ears) by physician on same date of service as audiologicfunction testing

Palmetto GBA has published a National Correct Coding Initiative (NCCI) Tool – CPT Modifier 25.<sup>3</sup> A summary of the guidelines for proper use of Modifier 25 are as follows:

- The E/M services must be more than the usual work associated with the procedure.



- The documentation must support the use of the modifier. In other words, there must be a significant, separately identifiable E/M service that meets the criteria for the code assigned.
- The modifier should not be used with new patient codes – they are not required, unless the service is chemotherapy, which is not considered surgical.
- The diagnosis code for the E/M service does not have to be different than the surgical code, even if Modifier 25 is used.
- NCCI edits must be reviewed for possible bundling.
  - If the code pairs are identified with 0, then the E/M service may not be billed.
  - If the code pairs are identified with 1, then Modifier 25 can be used if there is a separate visit, site, incision/excision, lesion, or injury and the documentation supports the E/M service as above the work necessary for the procedure.

The following are three examples of the correct use of CPT Modifier from the NCCI Tool

*Example 1: Beneficiary medical history: date of service January 3, 2011, CPT code 20610, HCPCS modifier LT (knee joint injection, 0 global days)*

- *On January 3, 2011, an E/M service is submitted with CPT code 99214. The patient was scheduled to receive an injection into the left knee. Due to the failure to control pain and inflammation in the left osteoarthritic knee with prior medical treatments (oral meds and joint injections), further evaluation was performed by the physician and TKR (total knee replacement) of the left knee is planned.*
- *Outcome: Submit CPT modifier 25 with the visit for the evaluation and planned major surgery to treat the patient's arthritis*

*Example 2: Beneficiary medical history: date of service February 15, 2011, CPT code 20553 (trigger point injections, 0 global days)*

- *On February 15, 2011, an E/M service is submitted with CPT code 99213. The patient was evaluated for treatment of neck pain and elevated blood pressure. The trigger point injections were administered for neck pain. New meds were prescribed to control the patient's elevated blood pressure.*
- *Outcome: Submit CPT modifier 25 with the visit for the evaluation and treatment of the patient's elevated blood pressure*



## *Example of Incorrect use of CPT Modifier 25*

- *On January 24, 2011, an E/M service is submitted with CPT code 99213 and CPT modifier 25. During the same patient encounter, the physician also debrides the skin and subcutaneous tissues (CPT code 11042, 0 global days). CPT 99213 was submitted to reflect the physician's time, examination and decision making related to determining the need for skin debridement. The physician's time was not significant and separately identifiable from the usual work associated with the surgery, and no other conditions were addressed during the encounter.*
- *Outcome: Do not submit the E/M service. The E/M service is not separately reimbursable from the surgical procedure. Submit only the surgical procedure (CPT code 11042).*

## **Conclusion**

Because of the increased focus on the use of Modifier 25, an analysis of provider billing is suggested. If a higher than expected volume is noted by any provider, it would be necessary to conduct a targeted audit to determine if there is sufficient documentation to support the use of Modifier 25.

The increased focus by CMS noted in the 2017 Physician Fee Schedule Proposed Rule should heighten awareness for all providers regarding the correct use of Modifier 25. Education concerning the correct use of Modifier 25 for providers, coders and billing staff is a good first step.

## **Contact Information**

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<sup>1</sup> <https://s3.amazonaws.com/public-inspection.federalregister.gov/2016-16097.pdf>

<sup>2</sup> <https://oig.hhs.gov/oei/reports/oei-07-03-00470.pdf>

<sup>3</sup> <http://www.palmettogba.com/palmetto/webTool.nsf/vTool/mod25>

