Policy Number: CSCL
Manual Name: TBD
Policy Name: Payment Policy – Modifier 25
Approved By: Melissa Rusk
Last Revised: 8/28/2025

Payment Policy – Modifier 25

Executive Sponsor: Melissa Rusk, Vice President Operations

Issuing Department: Operations, Claims

Gate Keeper: Terry Snyder, Director Claims

COMPLIANCE STATEMENT:

Enforcement: All members of the workforce are responsible for compliance with this policy. Failure to abide by the requirements of this policy may result in corrective action, up to and including termination. Workforce members are responsible for reporting any observed violations of this policy.

Review Schedule: This policy will be reviewed and updated as necessary and no less than every two years.

Monitoring and Auditing: The Issuing/Collaborating Department(s) is responsible for monitoring compliance with this policy.

Documentation: Documentation related to this policy must be maintained for a minimum of 10 years.

Applies to:

☒ SummaCare
☐ Insurance Company
☒ Apex Summa Health Management Company Summa
☒

Line of Business:

☒ Commercial Groups
☐ Off-Exchange
☒
☒ Medicare Medicare Supplemental On-Exchange
☒ Self-Funded
☒

1.0 Purpose:

1.1 To outline the benefit and payment parameters for covered services billed with modifier 25.

2.0 Policy:

2.1 Modifier 25 was developed by the American Medical Association (AMA) for separate, significate physician evaluation and management (E/M) services going above and beyond the physician work normally associated with a minor surgical procedure and/or other service on the same day during the same visit.

3.0 Procedure:

3.1 The use of modifier 25 should be limited in nature and only reported with E/M codes.

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

3.2.1 Review of patient's relevant past medical history,

3.2.2 Assessment of the problem area to be treated by surgical or other service,

3.2.3 Formulation and explanation of the clinical diagnosis,

3.2.4 Review and explanation of the procedure to the patient, family, or caregiver,

3.2.5 Discussion of alternative treatments or diagnostic options,

3.2.6 Obtaining informed consent,

3.2.7 Providing postoperative care instructions,

3.2.8 Discussion of any further treatment and follow up after the procedure.

3.3 At times, more than one E/M service may be performed and reported on the same date. In these cases, the appropriate E/M code(s) would be appended with modifier 25.

3.3.1 For example, in the case of preventive medicine services or annual wellness visit (AWV), if an abnormality is encountered or a preexisting problem (establishment of a list of risk factors and conditions of which interventions are recommended or underway for the individual) is addressed in the process of performing a preventive medicine E/M service and if the problem or abnormality is significant enough to require additional work to perform the key components of a problem oriented E/M service, then the appropriate office or other outpatient visit E/M code should also be reported. Modifier 25 should be appended to the office or other outpatient visit code to indicate that a significant, separately identifiable E/M service was provided on the same date as the preventive

medicine E/M service, and the appropriate preventive medicine E/M service is additionally reported without a modifier.

3.4 In contrast, if an insignificant or trivial problem or abnormality is encountered during a preventive medicine E/M service that does not require significant additional work, then a separate office or other outpatient visit code should not additionally be reported. A summary of existing chronic problems, their status, and current treatment regimens is inherent to a preventive service including an AWV prescription renewals, accommodation of PBM prescriptive needs, and seasonal or re-start prescriptions are inherent to a preventive service including an AWV; routine and/or cyclical lab orders or renewals of standing orders for existing chronic conditions are inherent to a preventive service including an AWV.

3.5 The medical records must clearly detail the work performed by the physician substantiating the use of modifier 25. Lack for documentation is considered a billing error and will result in recoupment of funds paid.

3.5.1 Effective 10/1/2025, E/M services submitted with an appropriately used of Modifier 25, will have a 50% reduction in payment when a separately identifiable E/M service is provided in addition to the minor procedure performed. This applies to Commercial plans.

3.6 Effective 10/1/2025 for all Commercial plans, we will consider E/M services 99211 appended with Modifier 25 as a non-reimbursable service. As of 12/1/2025 this will expand to include all Medicare plans.

3.6.1 Based on descriptions of Modifier 25 and E/M 99211 must be separately identifiable and 99211 is not separately identifiable.

4.0 References:

4.1 Source of the policy (regulatory citation, accreditation standard, internal standard)

4.1.1 Internal Standard

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

4.2 Are there any references to other documents, regulations, or intranet locations?

4.2.1 None

4.3 Are there other policies that work in conjunction with this policy?

4.3.1 None

4.4 Replaces (if applicable):

4.4.1 None

5.0 Definitions:

6.0 Modifier 25 is defined as a significant, separately identifiable evaluation and management (E/M) service by the same physician or other qualified health care professional on the same day of the procedure or other service.

7.0 Key Words or Aliases (Optional):

7.1 Modifier, E/M, Evaluation and Management, Office Visits

ORIGINAL *EFFECTIVE DATE*: 1/1/23
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