2021-21

RESOLUTION

Subject: Modifier 25

Submitted by: Greater Louisville Medical Society

Referred to: Reference Committee

WHEREAS, patients frequently present to their physicians expecting management of multiple complaints, which may be treated medically or require a diagnostic or treatment procedure on the same date of service; and

WHEREAS, during the course of a physical exam the clinician may identify pathology that necessitates a biopsy and/or other procedure; and

WHEREAS, performance of a medically necessary procedure on the same day as a separate evaluation and management (E/M) service is generally done to facilitate a prompt diagnosis, to streamline treatment of complex conditions and to save patients return visits and copayments; and

WHEREAS, per the CPT definition, Modifier 25 is utilized to indicate a distinct and separate E/M service performed on the same date of service as a minor procedure (those procedures with zero- or ten-day global periods) or a separately identifiable E/M service; and

WHEREAS, when CPT codes typically reported on the same date of service as an E/M code are reviewed by the AMA RUC, overlapping value between an E/M and the procedure is eliminated. Overlapping direct practice expense and physician time is methodically removed from the code value, in turn reducing the indirect practice expense component of the procedural value, ensuring that physicians do not receive duplicative reimbursement for work or practice expense when modifier 25 is used. This reduction holds even if the procedure is billed in isolation, resulting in physician underpayment; and

WHEREAS, appropriate use of modifier 25 is essential to efficient, patient-centered care; now, therefore, be it

RESOLVED, that the KMA advocates that separate services should be reimbursed appropriately and in accordance with established CPT coding conventions and guidelines, including modifier 25 and additional modifiers; and be it further

RESOLVED, that the KMA supports legislation to establish that public and private payers operating in the Commonwealth must follow established CPT coding and reimbursement guidelines and may not reduce or deny reimbursement for medical services based on their own metrics.