

Optometry Coding & Billing Alert

OIG Alert: Reserve Modifier 25 for Separate E/M History, Exam MDM

Only reporting 1 code? Hold the modifiers!

The OIG is encouraging CMS- Part B carriers and Recovery Audit Contractors to scrutinize your claims that use modifier 25--and you can expect to see a lot more pre- and post-payment audits.

In a recent study, the Office of Inspector General cast a spotlight on your use of modifier 25 (Significant, separately identifiable evaluation and management service by the same physician on the same day of the procedure or other service), and the results weren't pretty. The OIG found a 35 percent error rate for modifier 25--and \$538 million in improper payments--in its sample of claims from 2003.

Modifier 25's descriptor of a significant, separately identifiable E/M service (such as 99201-99215, Office or other outpatient visit for the evaluation and management of a new or established patient) isn't at the root of most of the claim problems. Only 2 percent of improperly coded modifier 25 claims involved E/M services that weren't significant and separately identifiable, according to the OIG.

Reality: Some 27 percent of modifier 25 claims were missing documentation of the E/M service or the procedure performed. For example: "[A] provider documented the E/M service provided to a beneficiary but did not document that the procedures were performed," says the OIG in its study, titled "Use of Modifier 25."

Best bet: When using modifier 25, you should remember the maxim "If you don't have a HEM [history, exam and medical decision-making], you can't bill an E/M," says **Laureen Jandroep, OTR, CPC, CCS-P, CPC-H, CCS**, director and senior instructor for CRN Institute in Absecon, N.J. All procedures include some service related to patient evaluation and management, but a separate E/M should include its own HEM, Jandroep says.

Scratch 25 From Single-Procedure Claims

Most coders understand that modifier 25 submissions require a minimum of two procedure codes--the modifier describes an E/M service that occurs on the same day as another procedure. But that lesson escaped coders in 9 percent of the OIG's reviewed cases.

Modifier 25 appeared in 2.6 million claims even though the E/M visit was the only service the physician reported that day--meaning the modifier was unnecessary.

"Without an accompanying initial service or procedure, you can't have a significant, separately identifiable service," says **Kent J. Moore**, manager of Health Care Financing and Delivery Systems in Leawood, Kan. When submitting claims consisting solely of an E/M code, make sure you don't include modifier 25, he says.

Note: To download a copy of the study, visit <http://oig.hhs.gov/oei/reports/oei-07-03-00470.pdf>.