



August 14, 2024

Mark Steffen, MD, MPH  
Chief Medical Officer  
Blue Cross Blue Shield of Minnesota  
3400 Yankee Dr.  
Eagan, MN, 55121

Dear Dr. Steffen,

On behalf of the more than 10,000 members of the Minnesota Medical Association (MMA), I write to follow-up on correspondence between you and the MMA regarding Blue Cross Blue Shield of Minnesota (BCBS MN) reimbursement policies that reduce payment for evaluation and management (E&M) services by 20% to 50%, depending on product line, when appended with modifier 25.<sup>1, 2, 3</sup> When MMA representatives last discussed this item with you at a meeting in November of 2023, you indicated that similar policies are adopted by most other Minnesota health plans and, as such, the policies of BCBS MN are within community standards.

Based on publicly available information confirmed by health plan representatives, MMA staff have learned that, of Minnesota's seven largest health plans, BCBS MN is the only health plan with modifier 25 payment reduction policies that apply in *all* cases that a modifier 25 is used. Three other health plans have modifier 25 payment reduction policies that apply *only* when the modifier-25-appended E/M service is billed with a same-day preventive service (e.g., CPT codes 99381-99387, 99391-99397). Three other health plans have no modifier 25 payment reduction policies whatsoever. A table of these policies can be provided to your team upon request.

The MMA maintains that the appropriate use of modifier 25 does not justify a reduction in payment. Policies that automatically reduce payment are a disincentive for physicians to provide unscheduled services and can harm patients by forcing them to schedule additional visits and incur additional costs. In addition, as stated in our previous letter, the Relative Value Update Committee (RUC) regularly screens for all CPT codes that are billed with E/M codes more than 50% of the time, then adjusts the RVUs of those codes to prevent duplicate valuation

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<sup>1</sup> [Blue Cross Blue Shield Minnesota, "Commercial Evaluation and Management - 002 Same Day Same Service," Effective 05/06/24](#)

<sup>2</sup> [Blue Cross Blue Shield Minnesota, "Medicaid Evaluation and Management - 002 Same Day Same Service" Effective 05/06/24;](#)

<sup>3</sup> [Blue Cross Blue Shield Minnesota, "Medicare Evaluation and Management - 002 Same Day Same Service" Effective 05/06/24](#)



of practice expenses and pre-/post-visit physician work.<sup>4</sup> This past week, we confirmed with RUC staff that, while all CPT codes are screened, preventive service codes are billed less commonly with E/M services and, as such, they don't meet the current threshold that warrants adjustment for duplication. The MMA submits that BCBS MN's current policies, which apply to all codes, fail to account for the RUC adjustment process and render redundant cuts to physician services.

We appreciate your consideration of this letter and would be happy to meet with your team to clarify our concerns. Moreover, we would be happy to partner with you to educate practices about proper coding practices related to modifier 25.

Please contact Adrian Uphoff, Policy Analyst, at [auphoff@mnmed.org](mailto:auphoff@mnmed.org) for additional information and to discuss next steps.

Sincerely,

Laurel Ries, MD  
President, Minnesota Medical Association

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<sup>4</sup> [American Medical Association, "AMA/Specialty Society RVS Update Process RUC Recommendations for CPT 2024," January 2023, p. 35 of PDF, p. 11 in-text.](#)