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Billing, Coding and Documenting a Level 4 E/M Service

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Presenter Disclosure

Michael G. Warshaw, DPM has no actual or potential conflict of interest in relation to this program

No off-label uses of any drugs or products will be discussed in this presentation

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Billing for an E/M Service

- **As it has been since January 1, 2021, for Office and Other Outpatient Places of Service E/M code selection, clinicians may use either Time or Medical Decision Making to select an E/M code for the other Places of Service**
- **There will be NO required Level of History or Examination for the 2023 E/M code changes**
- **We need to talk about the above!**

Summary of the Changes

- **E/M codes that have levels of services include a medically appropriate history and/or physical examination, when performed. The nature and extent of the history and/or physical examination are determined by the treating physician or other qualified health care professional reporting the service. The care team may collect information, and the patient or caregiver may supply information directly (eg, by electronic health record [EHR] portal or questionnaire) that is reviewed by the reporting physician or other qualified health care professional. The extent of history and physical examination is not an element in selection of the level of these E/M service codes.**

Summary of the Changes

- **Time is defined as total time spent, including non-face-to-face work done on that day and no longer requires time to be dominated by counseling.**
- **It includes time regardless of the location of the physician or other qualified health care professional (eg, whether on or off the inpatient unit or in or out of the outpatient office).**
- **It does not include any time spent in the performance of other separately reported service(s).**

Summary of the Changes

- **The definitions of Medical Decision Making (ie. MDM) are the same as the definitions of Medical Decision Making that went into effect for Office and Other Outpatient Places of Service on January 1, 2021**
- **CPT® has provided numerous definitions to clarify terms in the current guidelines, such as "chronic illness with exacerbation, progression or side effects of treatment," and "drug therapy requiring intensive monitoring for toxicity."**

Guidelines For Selecting Level of E/M Service Based on Time

- **For coding purposes, time for these services is the total time on the date of the encounter.**
- **It includes both the face-to-face time with the patient and/or family/caregiver and non-face-to-face time personally spent by the physician and/or other qualified health care professional(s) on the day of the encounter (includes time in activities that require the physician or other qualified health care professional and does not include time in activities normally performed by clinical staff)**
- **It includes time regardless of the location of the physician or other qualified health care professional (eg, whether on or off the inpatient unit or in or out of the outpatient office). It does not include any time spent in the performance of other separately reported service(s).**

Guidelines For Selecting Level of E/M Service Based on Time

- **Physician or other qualified health care professional time includes the following activities, when performed:**
- **preparing to see the patient (eg, review of tests)**
- **obtaining and/or reviewing separately obtained history**
- **performing a medically appropriate examination and/or evaluation**
- **counseling and educating the patient/family/caregiver**
- **ordering medications, tests, or procedures**
- **referring and communicating with other health care professionals (when not separately reported)**
- **documenting clinical information in the electronic or other health record**
- **independently interpreting results (not separately reported) and communicating results to the patient/family/caregiver**
- **care coordination (not separately reported)**

Guidelines For Selecting Level of E/M Service Based on Time

- **Do not count time spent on the following:**
    1. **The performance of other services that are reported separately**
    2. **Travel**

Office or Other Outpatient Evaluation and Management Level Selection
When choosing level based on total time, time ranges have been replaced with time thresholds.

CPT 99202
Prior to 1-1-24: 15-29 minutes of total time
Starting 1-1-24: 15 minutes must be met or exceeded

CPT 99203
- **Prior to 1-1-24: 30-44 minutes of total time**
- **Starting 1-1-24: 30 minutes must be met or exceeded**

CPT 99204
- **Prior to 1-1-24: 45-59 minutes of total time**
- **Starting 1-1-24: 45 minutes must be met or exceeded**

CPT 99205
- **Prior to 1-1-24: 60-74 minutes of total time**
- **Starting 1-1-24: 60 minutes must be met or exceeded**

CPT 99212
- **Prior to 1-1-24: 10-19 minutes of total time**
- **Starting 1-1-24: 10 minutes must be met or exceeded**

CPT 99213
- **Prior to 1-1-24: 20-29 minutes of total time**
- **Starting 1-1-24: 20 minutes must be met or exceeded**

CPT 99214
- **Prior to 1-1-24: 30-39 minutes of total time**
- **Starting 1-1-24: 30 minutes must be met or exceeded**

CPT 99215
- **Prior to 1-1-24: 40-54 minutes of total time**
- **Starting 1-1-24: 40 minutes must be met or exceeded**

Guidelines for Selecting Level of Service Based on Medical Decision Making

- **Medical decision making includes establishing diagnoses, assessing the status of a condition, and/or selecting a management option. Medical decision making is defined by three elements:**
- **1. The number and complexity of problem(s) that are addressed during the encounter**
- **Definition of a problem:**
  - **A problem is a disease, condition, illness, injury, symptom, sign, finding, complaint, or other matter addressed at the encounter, with or without a diagnosis being established at the time of the encounter.**
  - **Comorbidities/underlying diseases, in and of themselves, are not considered in selecting a level of E/M services unless they are addressed, and their presence increases the amount and/or complexity of data to be reviewed and analyzed or the risk of complications and/or morbidity or mortality of patient management.**

Guidelines for Selecting Level of Service Based on Medical Decision Making

- **2. The amount and/or complexity of data to be reviewed and analyzed. This data includes medical records, tests, and/or other information that must be obtained, ordered, reviewed, and analyzed for the encounter. This includes information obtained from multiple sources or interprofessional communications that are not separately reported. It includes interpretation of tests that are not separately reported. Ordering a test is included in the category of test result(s) and the review of the test result is part of the encounter and not a subsequent encounter.**
    - **A. Tests, documents, orders, or independent historian(s). (Each unique test, order or document is counted to meet a threshold number)**
    - **B. Independent interpretation of tests**
    - **C. Discussion of management or test interpretation with external physician or other qualified healthcare professional or appropriate source**

Guidelines for Selecting Level of Service Based on Medical Decision Making

- **3. The risk of complications, morbidity, and/or mortality of patient management decisions made at the visit, associated with the patient's problem(s), the diagnostic procedure(s), treatment (s). This includes the possible management options selected and those considered, but not selected, after shared medical decision making with the patient and/or family. For example, a decision about hospitalization includes consideration of alternative levels of care. Examples may include a psychiatric patient with a sufficient degree of support in the outpatient setting or the decision to not hospitalize a patient with advanced dementia with an acute condition that would generally warrant inpatient care, but for whom the goal is palliative treatment.**

Guidelines for Selecting Level of Service Based on Medical Decision Making

- **Four types of Medical Decision Making are recognized: straight forward, low, moderate, and high**
- **Shared Medical Decision Making involves eliciting patient and/or family preferences, patient and/or family education, and explaining risks and benefits of management options.**
- **Medical Decision Making may be impacted by role and management responsibility**
- **When the physician or other qualified health care professional is reporting a separate CPT code that includes interpretation and/or report, the interpretation and/or report should not be counted in the Medical Decision Making when selecting a level of E/M service. An example would be obtaining and interpreting X-rays in the office**
- **When the physician or other qualified health care professional is reporting a separate service for discussion of management with a physician or other qualified health care professional, the discussion is not counted in the Medical Decision Making**

Level of Medical Decision Making Table

- **The Level of Medical Decision Making Table is to be used as a guide to assist in selecting the level of Medical Decision Making for reporting an E/M service code. The table includes the four levels of Medical Decision Making (ie, straightforward, low, moderate, high) and the three elements of medical decision making (ie, number and complexity of problems addressed, amount and/or complexity of data reviewed and analyzed, and risk of complications and/or morbidity or mortality of patient management). To qualify for a particular level of medical decision making, two of the three elements for that level of medical decision making must be met or exceeded.**

Level 4 E/M Service Based Upon Medical Decision Making

- **99204: Office or other outpatient visit for the evaluation and management of a new patient, which requires a medically appropriate history and/or examination and moderate level of medical decision making.**
- **99214: Office or other outpatient visit for the evaluation and management of an established patient, which requires a medically appropriate history and/or examination and moderate level of medical decision making.**

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Table 1: Levels of Medical Decision Making (MDM)

▶Elements of Medical Decision Making			
Level of MDM (Based on 2 out of 3 Elements of MDM)	**Number and Complexity of Problems Addressed at the Encounter**	**Amount and/or Complexity of Data to Be Reviewed and Analyzed** ***Each unique test, order, or document contributes to the c** ***ombination of 2 or combination of 3 in Category 1 below.***	**Risk of Complications and/or Morbidity or Mortality of Patient Management**
Straightforward	**Minimal** • 1 self-limited or minor problem	**Minimal or none**	**Minimal risk of morbidity from additional diagnostic testing or treatment**
Low	**Low** ▪ 2 or more self-limited or	**Limited** *(Must meet the requirements of at least 1 out of 2 categories)*	**Low risk of morbidity from additional**

		minor problems; **or** ▪ **1** stable, chronic illness; **or** ▪ **1** acute, uncomplicated illness or injury; **or** ▪ **1** stable, acute illness; **or** ▪ **1** acute, uncomplicated illness or injury requiring hospital inpatient or observation level of care	**Category 1: Tests and documents** ▪ **Any combination of 2 from the following:** • Review of prior external note(s) from each unique source*; • Review of the result(s) of each unique test*; • Ordering of each unique test* **or** **Category 2: Assessment requiring an independent historian(s)** *(For the categories of independent interpretation of tests and discussion of management or test interpretation, see moderate or high)*	**diagnostic testing or treatment**
	Moderate	**Moderate**	**Moderate**	**Moderate risk of morbidity from**

		▪ **1** or more chronic illnesses with exacerbation, progression, or side effects of treatment; **or** ▪ **2** or more stable, chronic illnesses; **or** ▪ **1** undiagnosed new problem with uncertain prognosis; **or** ▪ **1** acute illness with systemic symptoms; **or** ▪ **1** acute, complicated injury	*(Must meet the requirements of at least 1 out of 3 categories)* **Category 1: Tests, documents, or independent historian(s)** ▪ **Any combination of 3 from the following:** • Review of prior external note(s) from each unique source*; • Review of the result(s) of each unique test*; • Ordering of each unique test*; • Assessment requiring an independent historian(s) **or** **Category 2: Independent interpretation of tests** ▪ Independent interpretation of a test	**additional diagnostic testing or treatment** *Examples only:* ▪ Prescription drug management ▪ Decision regarding minor surgery with identified patient or procedure risk factors ▪ Decision regarding elective major surgery without identified patient or procedure risk factors ▪ Diagnosis or treatment significantly limited by social

			performed by another physician/other qualified health care professional (not separately reported); **or** **Category 3: Discussion of management or test interpretation** ▪ Discussion of management or test interpretation with external physician/other qualified health care professional/appropriate source (not separately reported)	determinants of health
	High	**High** ▪ 1 or more chronic illnesses with severe exacerbation, progression, or side effects of treatment;	**Extensive** *(Must meet the requirements of at least 2 out of 3 categories)* **Category 1: Tests, documents or independent historian(s)** ▪ **Any combination of 3 from the following:**	**High risk of morbidity from additional diagnostic testing or treatment** *Examples only:* ▪ Drug therapy requiring intensive

		or ■ 1 acute or chronic illness or injury that poses a threat to life or bodily function	• Review of prior external note(s) from each unique source*; • Review of the result(s) of each unique test*; • Ordering of each unique test*; • Assessment requiring an independent historian(s) or **Category 2: Independent interpretation of tests** ■ Independent interpretation of a test performed by another physician/other qualified health care professional (not separately reported); or	monitoring for toxicity ■ Decision regarding elective major surgery with identified patient or procedure risk factors ■ Decision regarding emergency major surgery ■ Decision regarding hospitalization or escalation of hospital-level care ■ Decision not to resuscitate or to de-escalate care because of poor prognosis

			Category 3: Discussion of management or test interpretation ▪ Discussion of management or test interpretation with external physician/other qualified health care professional/appropriate source (not separately reported)	▪ Parenteral controlled substances ◀

Definitions for the Elements of Medical Decision Making

- **Minimal problem: A problem that may not require the presence of the physician or other qualified health care professional, but the service is provided under the physician's or other qualified health care professional's supervision (see 99211, 99281).**
- **Self-limited or minor problem: A problem that runs a definite and prescribed course, is transient in nature, and is not likely to permanently alter health status**
- **Stable, chronic illness: A problem with an expected duration of at least one year or until the death of the patient. For the purpose of defining chronicity, conditions are treated as chronic whether or not stage or severity changes (eg, uncontrolled diabetes and controlled diabetes are a single chronic condition). "Stable" for the purposes of categorizing MDM is defined by the specific treatment goals for an individual patient. A patient who is not at his or her treatment goal is not stable, even if the condition has not changed and there is no short-term threat to life or function. For example, a patient with persistently poorly controlled blood pressure for whom better control is a goal is not stable, even if the pressures are not changing and the patient is asymptomatic. The risk of morbidity without treatment is significant.**

- **Acute, uncomplicated illness or injury: A recent or new short-term problem with low risk of morbidity for which treatment is considered. There is little to no risk of mortality with treatment, and full recovery without functional impairment is expected. A problem that is normally self-limited or minor but is not resolving consistent with a definite and prescribed course is an acute, uncomplicated illness.**
- **Acute, uncomplicated illness or injury requiring hospital inpatient or observation level care: A recent or new short-term problem with low risk of morbidity for which treatment is required. There is little to no risk of mortality with treatment, and full recovery without functional impairment is expected. The treatment required is delivered in a hospital inpatient or observation level setting.**

- **Stable, acute illness: A problem that is new or recent for which treatment has been initiated. The patient is improved and, while resolution may not be complete, is stable with respect to this condition.**
- **Chronic illness with exacerbation, progression, or side effects of treatment: A chronic illness that is acutely worsening, poorly controlled, or progressing with an intent to control progression and requiring additional supportive care or requiring attention to treatment for side effects.**
- **Undiagnosed new problem with uncertain prognosis: A problem in the differential diagnosis that represents a condition likely to result in a high risk of morbidity without treatment.**

- **Acute illness with systemic symptoms: An illness that causes systemic symptoms and has a high risk of morbidity without treatment. For systemic general symptoms, such as fever, body aches, or fatigue in a minor illness that may be treated to alleviate symptoms, see the definitions for self-limited or minor problem or acute, uncomplicated illness or injury. Systemic symptoms may not be general but may be single system.**
- **Acute, complicated injury: An injury which requires treatment that includes evaluation of body systems that are not directly part of the injured organ, the injury is extensive, or the treatment options are multiple and/or associated with risk of morbidity.**

- **Chronic illness with severe exacerbation, progression, or side effects of treatment: The severe exacerbation or progression of a chronic illness or severe side effects of treatment that have significant risk of morbidity and may require escalation in level of care.**
- **Acute or chronic illness or injury that poses a threat to life or bodily function: An acute illness with systemic symptoms, an acute complicated injury, or a chronic illness or injury with exacerbation and/or progression or side effects of treatment, that poses a threat to life or bodily function in the near term without treatment. Some symptoms may represent a condition that is significantly probable and poses a potential threat to life or bodily function. These may be included in this category when the evaluation and treatment are consistent with this degree of potential severity.**

- **Drug therapy requiring intensive monitoring for toxicity: A drug that requires intensive monitoring is a therapeutic agent that has the potential to cause serious morbidity or death. The monitoring is performed for assessment of these adverse effects and not primarily for assessment of therapeutic efficacy. The monitoring should be that which is generally accepted practice for the agent but may be patient-specific in some cases. Intensive monitoring may be long-term or short-term. Long-term intensive monitoring is not performed less than quarterly. The monitoring may be performed with a laboratory test, a physiologic test, or imaging. Monitoring by history or examination does not qualify. The monitoring affects the level of MDM in an encounter in which it is considered in the management of the patient. An example may be monitoring for cytopenia in the use of an antineoplastic agent between dose cycles. Examples of monitoring that do not qualify include monitoring glucose levels during insulin therapy, as the primary reason is the therapeutic effect (unless severe hypoglycemia is a current, significant concern); or annual electrolytes and renal function for a patient on a diuretic, as the frequency does not meet the threshold**

- **Morbidity: A state of illness or functional impairment that is expected to be of substantial duration during which function is limited, quality of life is impaired, or there is organ damage that may not be transient despite treatment.**
- **Social determinants of health: Economic and social conditions that influence the health of people and communities. Examples may include food or housing insecurity.**

- **Surgery (minor or major, elective, emergency, procedure or patient risk):**
- **Surgery—Minor or Major: The classification of surgery into minor or major is based on the common meaning of such terms when used by trained clinicians, similar to the use of the term "risk." These terms are not defined by a surgical package classification.**
- **Surgery—Elective or Emergency: Elective procedures and emergent or urgent procedures describe the timing of a procedure when the timing is related to the patient's condition. An elective procedure is typically planned in advance (eg, scheduled for weeks later), while an emergent procedure is typically performed immediately or with minimal delay to allow for patient stabilization. Both elective and emergent procedures may be minor or major procedures.**
- **Surgery—Risk Factors, Patient or Procedure: Risk factors are those that are relevant to the patient and procedure. Evidence-based risk calculators may be used, but are not required, in assessing patient and procedure risk.**

- **External physician or other qualified health care professional: An external physician or other qualified health care professional who is not in the same group practice or is of a different specialty or subspecialty. This includes licensed professionals who are practicing independently. The individual may also be a facility or organizational provider such as from a hospital, nursing facility, or home health care agency.**
- **Independent historian(s): An individual (eg, parent, guardian, surrogate, spouse, witness) who provides a history in addition to a history provided by the patient who is unable to provide a complete or reliable history (eg, due to developmental stage, dementia, or psychosis) or because a confirmatory history is judged to be necessary. In the case where there may be conflict or poor communication between multiple historians and more than one historian is needed, the independent historian requirement is met. It does not include translation services. The independent history does not need to be obtained in person but does need to be obtained directly from the historian providing the independent information.**
- **Independent interpretation: The interpretation of a test for which there is a CPT code, and an interpretation or report is customary. This does not apply when the physician or other qualified health care professional who reports the E/M service is reporting or has previously reported the test. A form of interpretation should be documented but need not conform to the usual standards of a complete report for the test**

Questions?

Thank You So Much!