New Documentation Billing Rules for Out-Patient Care

Luis S. Marsano, MD
Professor and Director of Hepatology
Division of Gastroenterology, Hepatology and Nutrition
University of Louisville

Comparison of Out-Patient and In-Patient Requirements for Level-of-Care Billing

New Out-Patient Rules

	Need	Level of Care
Chief Complaint/ Reason of Visit	Needed	**Always Needed**
History -HPI -ROS -Past Medical, Social, Family	What you feel is pertinent	Does NOT count
Physical Exam	What you feel is pertinent	Does NOT count
Decision-Making -Diagnosis -Data -Risk	Needed and **Counts**	**The lower of the 2 highest Decision-Making components**

In-Patient Rules

	Need	Level of Care
Chief Complaint/ Reason of Visit	Needed	**Always Needed**
History -HPI -ROS -Past Medical +/- Social +/- Family	Needed	**Counts** -Number of descriptors -Number of ROS -Number of sections
Physical Exam	Needed	**Counts** -Number of sections/items
Decision-Making -Diagnosis -Data -Risk	Needed	**Counts** -Lower of the 2 highest
		Initial/Consult: lowest of the 3 **Subsequent: lower of 2 highest**

Outpatient Level of Care 5

2 of 3 elements needed (A, B, C)

A. DIAGNOSIS COMPLEXITY HIGH (One of the following)	B. DATA COMPLEXITY EXTENSIVE (2 of 3)		C. RISK HIGH (One of the following)
1 or more chronic illnesses with severe exacerbation, progression, or side effects of treatment; **or** **1** acute or chronic illness or injury that poses a threat to life or bodily function	**2 of 3**	Needs 3 points: Unique source External note review # =	☐ Drug therapy requiring intensive monitoring for toxicity ☐ Diagnostic endoscopies with identified risk factors ☐ Decision regarding hospitalization ☐ An abrupt change in neurologic status ☐ Cardiovascular imaging studies with contrast with identified risk factors ☐ Cardiac electrophysiological tests ☐ Discography ☐ Elective major surgery (open, percutaneous or endoscopic) with identified risk factors ☐ Emergency major surgery (open, percutaneous or endoscopic) ☐ Parenteral controlled substances ☐ Decision not to resuscitate or to de-escalate care because of poor prognosis
		Needs 3 points: Unique Test(s) Ordered # =	
		Needs 3 points: Unique Test(s) Reviewed # =	
		Needs 3 points: Independent historian (s) =	
		Interpretation of Test done by other Healthcare provider (not separately reported):	
		Discussion of management, or of Test interpretation with different specialist/sub-specialist (not separately reported):	

External Note = From other institution(s) or other specialty(es)

Comparison of Diagnosis Complexity Rules

Out-Patient

Single Highest Item	Level
-1 or more chronic illnesses with severe exacerbation, progression, or side effects of treatment; or -1 acute or chronic illness or injury that poses a threat to life or bodily function	5
-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	4
-2 or more self-limited or minor problems; or -1 stable chronic illness; or -1 acute, uncomplicated illness or injury	3
-1 self-limited or minor problem	2

In-Patient

DIAGNOSIS CATEGORY	#	X	Points/each	=	ADD
Self limited Dx (MAXIMUM = 2)		X	**1**	=	
Establish Dx, stable/ better		X	**1**	=	
Establish Dx, worse		X	**2**	=	
New Dx, no w/u (MAXIMUM = 1)		X	**3**	=	
New Dx plus w/u		X	**4**	=	
				TOTAL	

Extensive = 4 pts, Multiple = 3 pts, Limited = 2 pts, Minimal = 1 point

Comparison of Data Complexity
Out-Patient vs In-Patient

Out-Patient

2 of 3	Needs 3 points	Unique source External note review # =
		Unique Test(s) Ordered # =
		Unique Test(s) Reviewed # =
		Independent historian (s) =
	Interpretation of Test done by other Healthcare provider (not separately reported):	
	Discussion of management, or of Test interpretation with different specialist/sub-specialist (not separately reported):	

Level 5 = 2 of 3 sections
Level 4 = 1 of 3 sections
Level 3 = Independent historian or 2 Tests / External Notes

In-Patient

Type of Data	Value	ADD
Review/order Laboratory or Pathology test	1	
Review/order Radiology Test	1	
Review/order Medicine Test	1	
Discuss test result with performing MD: radiology, pathology, medicine (each type)	1x_	
Request old Record or Plan more History from other	1	
Summarize old Record or Obtain History from other	2	
Independent Review: image, tracing, biopsy (each type), with your interpretation	2x_	
	TOTAL=	

Extensive = 4 pts, Moderate = 3 pts, Limited = 2 pts, Minimal = 1 point

Definitions For Out-Patient Care Coding

- **New patient**: is one who has not received any professional services from a physician/qualified health of the **exact same specialty and subspecialty** who belongs to **the same group** practice, within the **past three years**.
  - CMS eliminated Consults in 2010.
- **External Source Note**: Note from a physician/ healthcare professional from a different group (even if from same specialty) or from a different specialty or subspecialty.
  - Examples: Discharge summary, In-patient Renal notes, out-patient Endocrine note, requesting Primary Care note, Operative report, Dietitian note, PharmD note, etc.
- **Test** (ordered or reviewed): Each item of Imaging, Laboratory, Psychometric or Physiologic test.
  - Examples: CBC, CMP, Mg, Urine Na, ECG, Chest Xray, KUB, CAGE questionnaire, ACTH Stim Test, etc.
  - In contrast, for in-patients: 1 or 100 labs are considered as 1 Lab, 1 or 100 XRays as 1 XRay, 1 or 100 Medical Tests are considered as 1 Medical Test

Definitions For Out-Patient Care Coding

- **Independent historian**: An individual (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
  - Example: due to developmental stage, encephalopathy, dementia, poor insight, memory loss, or psychosis)
- **Independent Interpretation**: The interpretation of a test for which there is a CPT code, and an interpretation or report is customary (but is not done by you).
  - Some form of interpretation should be written by you. Example: review of ECG or CXR.
- **Social determinants of health**: Economic and social conditions that influence the health of people and communities.
  - Examples may include food or housing insecurity, high medication cost (Donut hole), history poor compliance, substance abuse, transportation problems.
- **Prescription drug management**: decision to maintain, increase, decrease dose or to add or discontinue medication.
  - Continue current medications satisfies requirement.

Comparison of Risk Related to Diagnosis, Investigation or Treatment Out-Patient Vs In-Patient

Out-Patient

- Single Highest Item
- Lists are NOT identical

In-Patient

- Single Highest Item
- Lists are NOT identical

Outpatient Level of Care 4

2 of 3 elements needed (A, B, C)

A. DIAGNOSIS COMPLEXITY MODERATE (One of the following)	B. DATA COMPLEXITY MODERATE (1 of 3)		C. RISK MODERATE (One of the following)
• 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	**1 of 3**	Needs 3 points: Unique source External note review # = Unique Test(s) Ordered # = Unique Test(s) Reviewed # = Independent historian(s) = Interpretation of Test done by other Healthcare provider (not separately reported): Discussion of management, or of Test interpretation with different specialist/sub-specialist (not separately reported):	☐ Prescription drug management ☐ Diagnosis or treatment significantly limited by social determinants of health ☐ Diagnostic endoscopies with no identified risk factors ☐ Deep needle or incisional biopsy ☐ Obtain fluid from body cavity ☐ Physiologic tests under stress (cardiac stress test) ☐ Cardiovascular imaging studies with contrast and no identified risk factors ☐ Minor surgery with identified risk factors ☐ Elective major surgery (open, percutaneous or endoscopic) with no identified risk factors ☐ Therapeutic nuclear medicine ☐ IV fluids with additives ☐ Closed treatment of fracture or dislocation without manipulation

External Note = From other institution(s) or other specialty(es)

Outpatient Level of Care 3
2 of 3 elements needed (A, B, C)

A. DIAGNOSIS COMPLEXITY LOW (One of the following)	B. DATA COMPLEXITY LIMITED (1 of 2)		C. RISK LOW (One of the following)
• 2 or more self-limited or minor problems; or • 1 stable chronic illness; or • 1 acute, uncomplicated illness or injury	**1 of 2**	Needs 2 points: Unique source External note review # =	☐ Over-the-counter drugs ☐ Physiologic tests not under stress ☐ Non-cardiovascular imaging studies with contrast ☐ Superficial needle biopsies ☐ Clinical laboratory tests requiring arterial puncture ☐ Skin biopsies ☐ Minor surgery with no identified risk factors ☐ Physical therapy ☐ Occupational therapy ☐ IV fluids without additives
		Needs 2 points: Unique Test(s) Ordered # =	
		Needs 2 points: Unique Test(s) Reviewed # =	
		Independent historian (yes=1) =	

External Note = From other institution(s) or other specialty(es)

Outpatient Level of Care 2
2 of 3 elements needed (A, B, C)

A. DIAGNOSIS COMPLEXITY MINIMAL	B. DATA COMPLEXITY MINIMAL or NONE	C. RISK MINIMAL (One of the following)
• 1 self-limited or minor problem	• Minimal or None	☐ One self-limited or minor problem ☐ Laboratory tests requiring venipuncture ☐ Chest x-rays ☐ EKG/EEG ☐ Urinalysis ☐ Ultrasound ☐ KOH prep ☐ Rest ☐ Gargles

External Note = From other institution(s) or other specialty(es)

Number and Complexity of Problems/Diagnosis

https://www.ama-assn.org/system/files/2019-06/cpt-office-prolonged-svs-code-changes.pdf

- 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.
- The final diagnosis for a condition does not in itself determine the complexity or risk, as **extensive evaluation may be required to reach the conclusion** that the signs or symptoms **do not represent a highly morbid con**dition.
- Multiple problems of a lower severity may, in the aggregate, create higher risk due to interaction.
- Referral without evaluation (by history, exam, or diagnostic study[ies]) or consideration of treatment does not qualify as being addressed or managed by the physician or other qualified health care professional reporting the service.

Services Reported Separately

https://www.ama-assn.org/system/files/2019-06/cpt-office-prolonged-svs-code-changes.pdf

- Any specifically identifiable procedure or service (ie, identified with a specific CPT code) performed on the date of E/M services may be reported separately in addition to the appropriate E/M Code.
  - The actual performance and/or interpretation of diagnostic tests/studies during a patient encounter are not included in determining the levels of E/M services when reported separately.
  - The physician's interpretation of the results of diagnostic tests/ studies (ie, professional component) with preparation of a separate distinctly identifiable signed written report may also be reported separately, using the appropriate CPT code and, if required, with modifier 26 appended. Example: FibroScan, PFTs, Paracentesis, …
- If a test/study is independently interpreted in order to manage the patient as part of the E/M service, but is not separately reported, it is part of medical decision making.

Drug Therapy Requiring Intense Monitoring

https://www.ama-assn.org/system/files/2019-06/cpt-office-prolonged-svs-code-changes.pdf

- 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 less than quarterly**.
- The monitoring may be by a **lab test, a physiologic test or ima**ging.
- **Monitoring by history or examination does NOT qualify**

Measurement of Total Time Expend on day of Encounter

https://www.ama-assn.org/system/files/2019-06/cpt-office-prolonged-svs-code-changes.pdf

- 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 (nor billed)) and communicating results to the patient/family/caregiver
- Care coordination (not separately reported)

Outpatient E&M Billing by Time in 2021

Should use **total time**, which includes face-to-face and non-face-to-face time spent by the E/M provider. Does NOT include time spent on separately reported services or time spent on activities the clinical staff usually performs when you determine the total time.

- **New Out-patient codes:**
  - 99202: 15-29 minutes
  - 99203: 30-44 minutes
  - 99204: 45-59 minutes
  - 99205: 60-74 minutes
- **Established Out-patient codes:**
  - 99212: 10-19 minutes
  - 99213: 20-29 minutes
  - 99214: 30-39 minutes
  - 99215: 40-54 minutes

For Prolonged Services use 99XXX

Prolonged Outpatient Services Code 99XXX

New Outpatient Prolonged Service

Total Duration of New Patient Office or Other Outpatient Services (use with 99205)	Code(s)
less than 75 minutes	Not reported separately
75-89 minutes	99205 X 1 and 99XXX X 1
90-104 minutes	99205 X 1 and 99XXX X 2
105 minutes or more	99205 X 1 and 99XXX X 3 or more for each additional 15 minutes.

Established Outpatient Prolonged Service

Total Duration of Established Patient Office or Other Outpatient Services (use with 99215)	Code(s)
less than 55 minutes	Not reported separately
55-69 minutes	99215 X 1 and 99XXX X 1
70-84 minutes	99215 X 1 and 99XXX X 2
85 minutes or more	99215 X 1 and 99XXX X 3 or more for each additional 15 minutes