Coding Policy Alerts

January/February 2023

This is the January/February 2023 issue of Providence Health Plan's Coding Policy Alerts. The focus of this update is to communicate to providers new or revised coding policies, as well as general billing and coding information.

CODING/BILLING INFORMATION

Changes to Evaluation and Management (E/M) Codes for 2023	The American Medical Association (AMA) made significant changes to Evaluation and Management (E/M) codes and E/M coding guidelines effective January 1, 2023. PHP coding policies affected by this change have been updated and will be addressed later in this newsletter. PHP follows the updated AMA guidelines for E/M codes except where the Centers for Medicare and Medicaid Services (CMS) policies differ from AMA guidelines. In cases where CMS and AMA policies for the new E/M guidelines differ, PHP follows CMS guidelines. Some of the critical changes to E/M guidelines, including the areas where CMS and AMA differ, are described in this article. 1. CPT code 99281 (low level ER visit) may be billed by a facility when services are performed by hospital staff without the presence of an MD or other qualified healthcare provider. 2. CPT codes for observation care have been deleted. The descriptions for inpatient care codes have been updated to show that these codes are used to report observation or inpatient services. • NOTE: Location codes for these services have not changed. CPT codes 99221-99223, 99231-99233, 99234-99236, and 99238-99239 are billed with location code 19 or 22 for observation services and billed with location code 21 for inpatient services. 3. CPT codes for provider visits to a domiciliary/rest home/assisted living home have been deleted. The descriptions for home visit codes have been updated to show that these codes are used to report domiciliary/rest home/assisted living home visits, as well as visits in the patient's home. • NOTE: Location codes for these services have not changed. CPT codes 99341-99345 and 99347-99350 are billed with location code 12 for services in the patient's home and billed with the appropriate location code (e.g., 13, 14, 32, 33, etc.) for services performed in other types of residences. 4. AMA's definition of a new patient E/M service in an outpatient setting is one who has not received any professional services from the physician or other qualified health care professional or another physician or other qualified health care professional of the exact same specialty and subspecialty who belongs to the same group practice within the past three years. • NOTE: PHP follows CMS guidelines for definition of a new patient in an outpatient setting. The CMS definition of a new patient is one who has not received any professional services from the physician or other qualified health care professional or another physician or other qualified health care professional of the same specialty who belongs to the same group practice within the past three years. The term "exact same specialty and subspecialty" is removed from the definition. 5. AMA's definition of an initial service in a facility setting is when the patient has not received any professional services from the physician or other qualified health care professional or another physician or other qualified health care professional of the exact same specialty and subspecialty who belongs to the same group practice during the inpatient, observation, or nursing facility admission and stay. • NOTE: PHP follows CMS guidelines for reporting initial and subsequent inpatient, observation, and nursing facility codes. CMS revised the definition for "initial service" to be one that occurs when the patient has not received any professional services from the provider or a provider of the same specialty who belongs to the same group practice during the inpatient, observation, or nursing facility stay. The term "exact same specialty and subspecialty" is removed from the definition.

	6. Levels of service for E/M codes affected by the 2023 changes, which include hospital visits, home visits, Emergency Department (ED) visits, and nursing facility visits, may be assigned based either on medical decision-making (MDM) or on time alone. (MDM does not apply to CPT code 99211 or 99281.)
	 7. CPT codes 99354 and 99355 for prolonged services in an outpatient setting have been deleted, and all prolonged services in an outpatient setting are reported with CPT code 99417.
	 • NOTE: PHP follows CMS guidelines for prolonged services in an outpatient setting and does not recognize CPT code 99417. Prolonged services in an outpatient setting may be reported to PHP using HCPCS code G2212. HCPCS code G2212 may be used only with the highest level of service in each category of E/M codes and is reported for time units of 15 minutes or more beyond the MAXIMUM time listed for the code. Do not report HCPCS G2212 for any time unit less than 15 minutes.
	 8. CPT codes 99356 and 99357 for prolonged services in an inpatient setting have been deleted, and all prolonged services in an inpatient or observation setting are reported with CPT code 99418. The description for CPT code 99418 is: "Prolonged inpatient or observation evaluation and management service(s) time with or without direct patient contact beyond the required time of the primary service when the primary service level has been selected using total time, each 15 minutes of total time."
	 • NOTE: PHP follows CMS guidelines for reporting prolonged services in a facility or the patient's home or residence and does not recognize CPT code 99418.
	   o Prolonged services in an observation or inpatient setting are reported with G0316.
	   o Prolonged services in a nursing facility are reported with G0317.
	   o Prolonged services in the patient's home or residence are reported with HCPCS code G0318.
	   o PHP follows all CMS guidelines for use of prolonged services codes G2212, G0316, G0317, and G0318. Providers are referred to Coding Policy 52.0 (Medical Visits), which is available on ProvLink, for definitions of these codes and instructions for use.
	 9. CPT codes 99358 and 99359 for prolonged services without face-to-face (FTF) contact have been updated to show they may be used only if the prolonged service is on a day other than the day of the FTF service.
	 • NOTE: PHP follows CMS guidelines for prolonged services without FTF contact and does not recognize CPT code 99358 or 99359. Providers are referred to Coding Policy 52.0 (Medical Visits), which is available on ProvLink, for information about how to report prolonged services without FTF contact on a day other than the day of the FTF service.
	 10. When a patient is admitted to a facility inpatient or observation unit during the course of an encounter at another site of service, such as ED, office, or nursing facility, the 2023 CPT guidelines state that both visits may be billed.
	 • NOTE: PHP follows CMS guidelines for paying multiple encounters on the same date of service. PHP allows only one E/M service per day from a single provider. When the patient is admitted to a facility during an encounter at another site of service, only the facility admission may be billed. See Coding Policy 52.0 (Medical Visits), which is available on ProvLink, for additional information.

Updates to Coding Policy 52.0 (Medical Visits)	Coding Policy 52.0 (Medical Visits) has been updated for 2023 to include PHP's billing guidelines for critical care and prolonged services, as well as giving the definition of a new patient in an outpatient setting and the definition of an initial service in a facility setting. The policy also gives PHP's guidelines for billing multiple encounters on the same date of service. This policy is available on ProvLink.
Updates to Coding Policy 58.0 (Documentation Guidelines for Medical Services)	Coding Policy 58.0 (Documentation Guidelines for Medical Services) has been updated to include the 2023 changes for using time alone to assign a level of E/M service. This policy is available on ProvLink.

Updates to Coding Policy 86.0 (Palliative Care)	Coding Policy 86.0 (Palliative Care) has been updated with the new code descriptions for home/residence visits, as well as the appropriate code for reporting prolonged visits. This policy is available on ProvLink.
Updates to Telemedicine Policies	Coding Policies 67.0.A, 67.0.B, 67.0.C, and 67.0.5 (Telemedicine) have been updated to remove deleted E/M codes and to add the new codes for prolonged visits. These policies are available on ProvLink.