Slide 1

E/M Coding and Documentation

Why does it matter?

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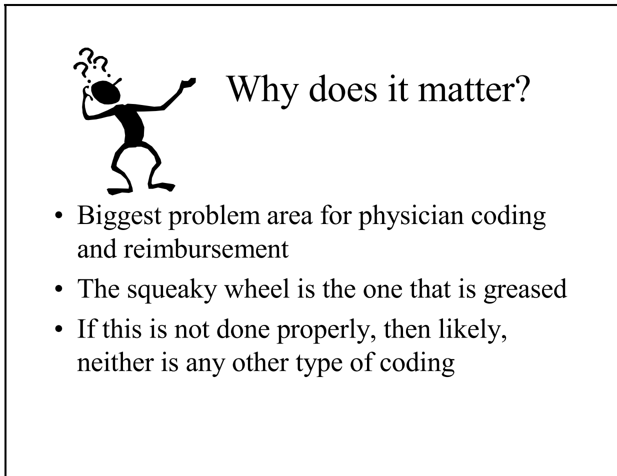
Slide 2

Discussion Points

- Why does it matter?
  - OIG thinks it does
  - Precursor to other coding issues
  - CPR reports
  - HIPAA Fraud and Abuse
  - Teaching Issues
  - Big Money

What to do?
  - Do it correctly
  - Be prepared

Slide 3



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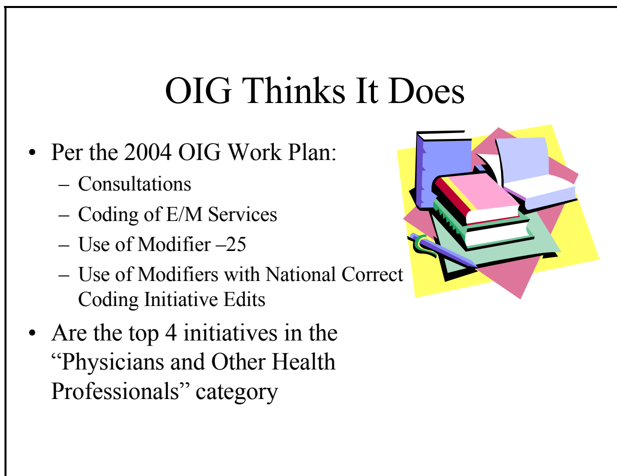

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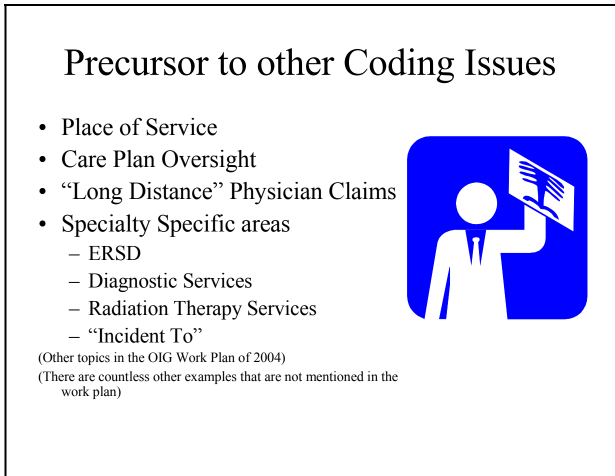

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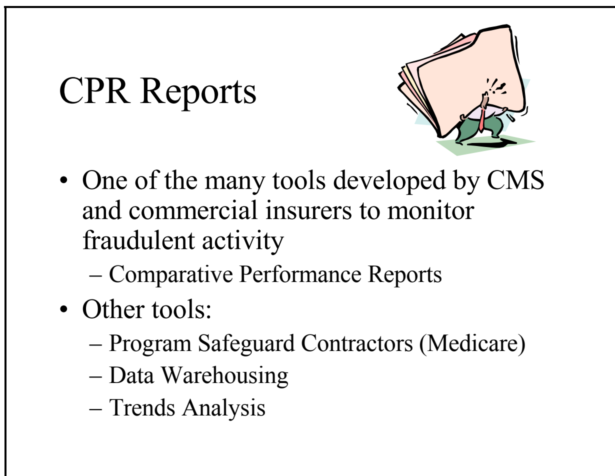


Slide 7

HIPAA Fraud and Abuse

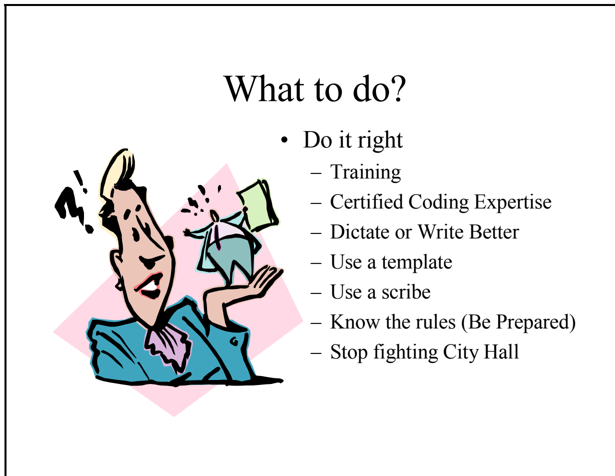
- More than Administrative Simplification
- Applies Medicare F & A provisions to all payers (including self pay)
  - Anti-kickback
  - Stark I and II
  - Referrals
  - False Claims
  - Overpayments for improper coding

Slide 8

Teaching Issues

- **P**hysicians **A**t **T**eaching **H**ospitals (PATH) guidelines
  - Primary Care
  - Specialty Care
  - Surgery
- GME Reimbursement

Slide 9



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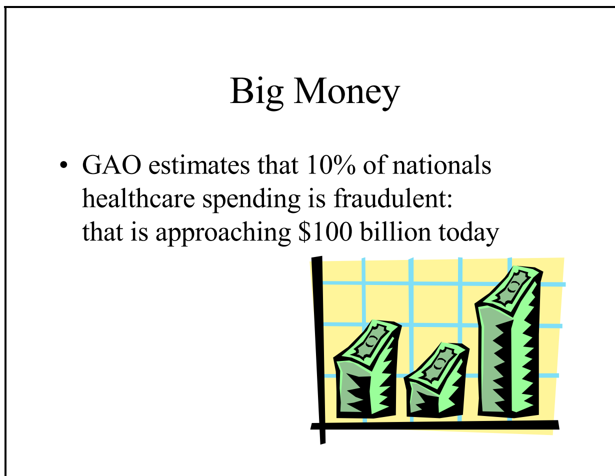


Slide 11

More than Money

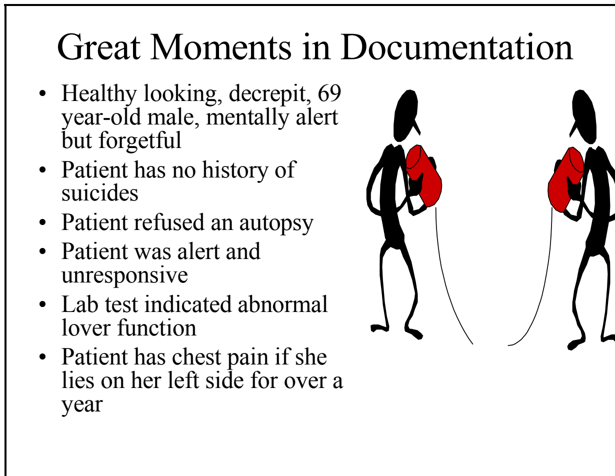
- National Insurance Crime Bureau estimates that each family in the US pays $200/yr extra in insurance premiums due to fraud
- FY 2003 OIG stats for CMS:
  - Over $23 billion saved due to investigations, implemented recommendations for Medicare and Medicaid
  - 3,275 individual and entities were excluded from Medicare or Medicaid due to fraudulent behavior
  - 576 convictions
  - 243 civil actions

Slide 12

What is next?

- Massive amounts of fraudulent activities occur in the pharmaceutical industry
  - With the advent of Medicare coverage, expect more and more scrutiny
  - Pricing schemas will be put into place
- Other areas of concern:
  - School-based health services (Medicaid)
  - Heart Transplant programs
  - And, always, the fundamentals: physician coding of E/M services

Slide 13



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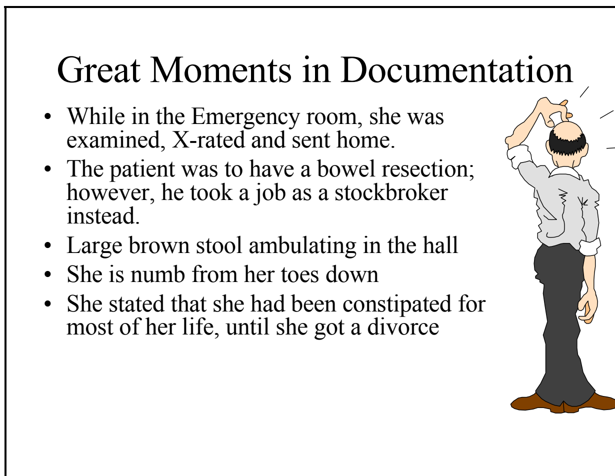

Slide 15

E/M Coding & Documentation
The Fundamentals

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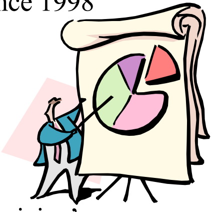
October 7, 2004

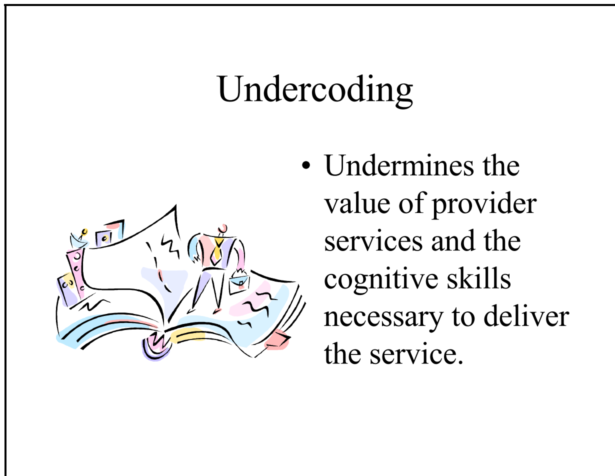
Slide 16

E/M Coding

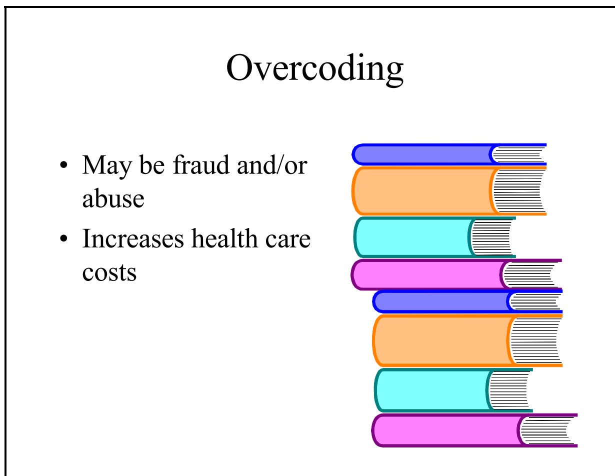
- Part of OIG work plan since 1998
  - Office
  - Inpatient
  - Observation
  - Critical Care
  - Consults
- >80% of office based physician's revenue



Slide 17

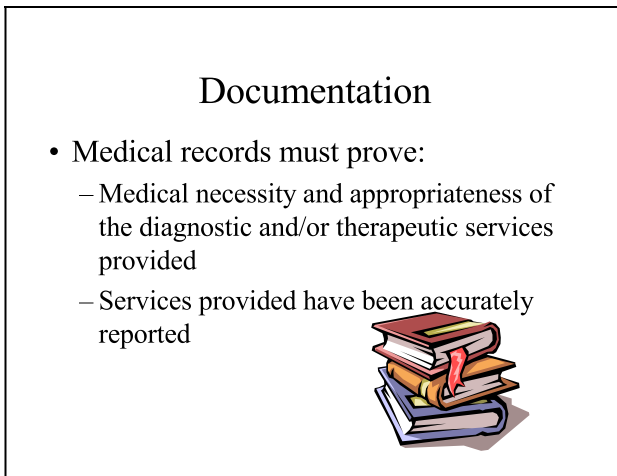


Slide 18



Slide 19

Slide 20



Slide 21

Documentation Basics

- Medical Record Needs to be Complete and Legible

Slide 22

Documentation Basics (con't)

- Each patient encounter should include:
  - Date
  - Reason for encounter
  - History and PE
  - Review of diagnostic tests and services
  - Assessment
  - Plan of Care

Slide 23

Documentation Basics (con't)

- Past and present diagnoses
- Reasons for and results of diagnostic tests and services
- Relevant health risk factors
- Patient progress and responses to treatment
- Authentication

Slide 24

Documentation Basics (con't)

- Written Plan for Care includes:
  - Treatment and Medications
  - Referrals and Consultations
  - Patient/Family Education
  - Follow-up Instructions

Slide 25

Evaluation & Management Coding

Key Components:
- History
- Examination
- Medical Decision Making

Contributory Factors:
- Counseling
- Coordination of Care
- Nature of Presenting Problem

Slide 26

History - CC required for all types

History of Present Illness	Review of Systems (ROS)	Past/Family and/or Social History	Type of History
Brief	N/A	N/A	Problem Focused
Brief	Problem Pertinent	N/A	Expanded Problem Focused
Extended	Extended	Pertinent	Detailed
Extended	Complete	Complete	Comprehensive

Slide 27

Physical Examination

1995	1997	Type of Exam
Limited exam of affected area	1-5 Elements identified	Problem Focused
Limited exam of affected & related areas/systems	> 6 Elements	Expanded Problem Focused
Extended exam of affected & related areas /systems	2 Elements from 6 systems	Detailed
General multi-system or complete single system	2 Elements from at least 9 systems	Comprehensive

Slide 28

Medical Decision Making

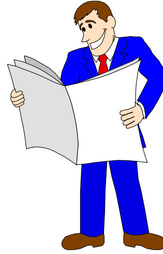
Number of diagnoses or management options	Amount and/or complexity of data to be reviewed	Risk of complications and/or morbidity or mortality	Type of decision making
Minimal - 1	Minimal - 1	Minimal	Straightforward
Limited - 2	Limited - 2	Low	Low Complexity
Multiple - 3	Moderate - 3	Moderate	Moderate Complexity
Extensive - 4	Extensive - 4	High	High Complexity

Physician Practice Compliance Conference

Slide 29

Number & Diagnosis of Treatment Options

Problems to Provider	Points	Result
Self-Limited/Minor	1	Max=2
Established Problem - Stable	1	
Established Problem - Worsening	2	
New Problem - No Work-up Planned	3	Max=3
New Problem - Work-up Planned	4	



Slide 30

Risk of Complications and/or Morbidity or Mortality (cont'd)

Level of Risk	Presenting Problem(s)	Diagnostic Procedure(s) Ordered	Management Options Selected
High	• Acute or chronic illness or injury that may threaten life or bodily function, *e.g. multiple trauma, PE, acute MI, severe respiratory distress, peritonitis,* • An abrupt change in neurologic status, *e.g. seizure, TIA, sensory loss or weakness*	• Cardiovascular imaging studies with contrast with identified risk factors • Cardiac electro-physiological tests • Diagnostic endoscopies with identified risk factors • Discography	• Elective major surgery with identified risk factors • Emergency major surgery • Parenteral controlled substances • Drug therapy requiring intensive monitoring for toxicity • Decision not to resuscitate or to deescalate care because of poor prognosis

Slide 31

Risk of Complications and/or Morbidity or Mortality (cont'd)

Level of Risk	Presenting Problem(s)	Diagnostic Procedure(s) Ordered	Management Options Selected
Moderate	• Undiagnosed new problem with uncertain prognosis, e.g. lump in breast • Acute illness with systemic symptoms, e.g. pyelonephritis, • Acute complicated injury, e.g. head injury with brief loss of consciousness	• Deep needle or incisional biopsy • CV imaging studies w/ contrast and no identified risk factors, arteriogram, cardiac cath • Obtain fluid from body cavity, e.g. lumbar puncture, thoracentesis,	• Elective major surgery with no identified risk factors • Prescription drug management • Therapeutic nuclear medicine • IV fluids w/additives • Closed treatment of fracture or dislocation w/o manipulation

Slide 32

Risk of Complications and/or Morbidity or Mortality (cont'd)

Level of Risk	Presenting Problem(s)	Diagnostic Procedure(s) Ordered	Management Options Selected
Low	• 2 or more self-limited or minor problems • 1 stable chronic illness, e.g. NIDDM, well controlled hypertension,, BPH • Acute uncomplicated illness or injury, e.g. cystitis, allergic rhinitis, simple sprain	• Non-cardiovascular imaging studies with contrast, e.g. barium enema • Superficial needle biopsies • Clinical laboratory tests requiring arterial puncture • Skin biopsies	• Over-the-counter drugs • Minor surgery with no identified risk factors • Physical therapy • Occupational therapy • IV fluids w/o additives

Slide 33

Risk of Complications and/or Morbidity or Mortality

Level of Risk	Presenting Problem(s)	Diagnostic Procedure(s) Ordered	Management Options Selected
Minimal	• 1 self-limited or minor problem, e.g. *cold, insect bite, tinea corporis*	• Lab tests requiring venipuncture • Chest x-ray • EKG/EEG • Urinalysis • Ultrasound, *e.g echocardio-graphy* • KOH prep	• Rest • Gargles • Elastic bandages • Superficial dressings

Slide 34

Amount and/or Complexity of Data to Be Reviewed

Categories of Data to Be Reviewed	Points
Review and/or order of clinical lab tests	1
Review and/or order of test in the radiology section of CPT (nuclear medicine and all imaging except echocardiography and cardiac catherization)	1
Review and/or order of tests in the medicine section of CPT (*examples: EEG, echocardiography, cardiac cath, non-invasive vascular studies, pulmonary function studies, psychological testing,endoscopy)*	1
Discussion of test results with performing physician	1
Decision to obtain old records and/or obtain history from someone other than patient	1
Review and summarization of old records and/or obtaining history from someone other than patient and/or discussion of case with another health care provider	2
Independent visualization of image, tracing or specimen itself (not simply review of report)	2
TOTAL	

Slide 35

Medical Decision Making

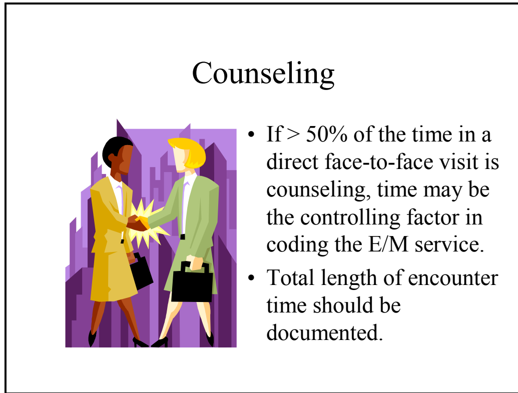
Number of diagnoses or management options	Amount and/or complexity of data to be reviewed	Risk of complications and/or morbidity or mortality	Type of decision making
Minimal - 1	Minimal - 1	Minimal	Straightforward
Limited - 2	Limited - 2	Low	Low Complexity
Multiple - 3	Moderate - 3	Moderate	Moderate Complexity
Extensive - 4	Extensive - 4	High	High Complexity

Slide 36

Review Approach

- Determine level of medical decision-making
- Identify value to correspond
- Check history and physical documentation for support
- If documentation there, fine. If not, down code
- Therefore, documentation of H & P can't increase code, but lack of it can decrease it.

Slide 37



Slide 38