

Outpatient Evaluation and Management Services

At Healthfirst, we are committed to helping providers accurately document and code their patients' health records. This tip sheet is intended to assist providers and coding staff with the documentation, Current Procedural Terminology (CPT) Codes and ICD-10-CM selection on services submitted to Healthfirst—specifically for **Outpatient Evaluation and Management Services**. It provides information from industry sources about proper coding practice. However, this document does not represent or guarantee that Healthfirst will cover and/or pay for services outlined. Coverage decisions are based on the terms of the applicable evidence of coverage and the provider's participation agreement. This includes the determination of any amounts that Healthfirst or the member owes the provider.

Proper **ICD-10** coding can provide a comprehensive view of a patient's overall health. Selection of the appropriate level of **Evaluation and Management Services (99202–99215)** may be based on one of the following: the level of Medical Decision Making (MDM) required *or* the Total Time spent on services performed on the date of the encounter.

According to CMS, the provider chooses whether the code selection is based on MDM or Total Time.

Please note: Office or outpatient services include a medically appropriate history and/or physical examination, when performed. The treating physician or other qualified healthcare professional determines the nature and extent of the history and/or physical examination. These elements are not used for determination of code selection.

Total Time

Time is calculated by totaling the time the provider or qualified healthcare professional spent with a patient face-to-face and any time spent on completing tasks related to that patient on the encounter at the end of reported.

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Activities that CAN be used to calculate Total Time:

- Pre-visit
- Reviewing results or records
- Performing an exam/evaluation
- Counseling or educating (not separately reported)
- Ordering tests or medications
- Documentation
- Interpreting results (not separately reported)
- Coordination of care

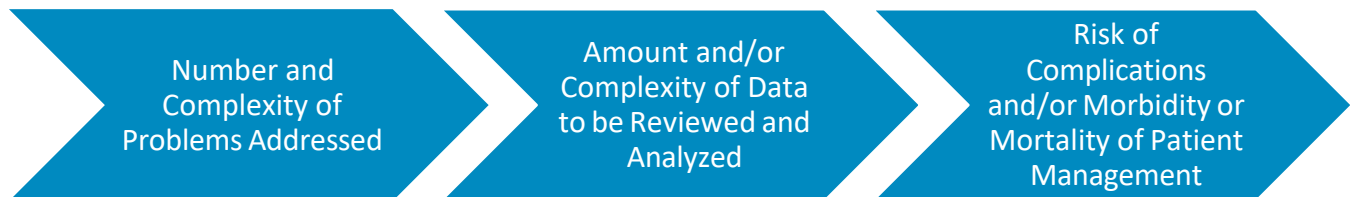
Activities that CANNOT be used to calculate Total Time:

- Travel
- Any task or coordination that is separately reported (e.g., provider removes a skin lesion during an office visit and it takes 15 minutes; that time cannot be added unto the Total Time for EM selection, since the procedure will be billed separately)
- Staff time

Medical Decision Making (MDM)

MDM has four levels: Straightforward Low, Moderate, and High. Use the AMA table below to calculate MDM.

MDM Consists of Three Elements



Number and Complexity of Problems Addressed

- A presenting problem is a disease, condition, illness, injury, symptom, sign, finding, or complaint. Multiple new or established conditions may be addressed at the same time and may affect MDM. Signs and symptoms should not be counted if there is a definitive diagnosis of condition.
- 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/mortality of patient management.

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- Amount and/or Complexity of Data to be Reviewed and Analyzed
- This second element of MDM includes three subcategories:
 1. ordering and/or review of diagnostic testing, reviewing documents/records, or the presence of/need for an independent historian.
 2. independent test interpretation.
 3. discussion of management options with an external provider (not of same group/specialty) or appropriate sources.*

*Appropriate source refers to a professional (e.g., a case worker, lawyer, parole officer); family and friends are not considered appropriate sources.

- Level is decided based on many factors. Please see the below chart from the AMA for specific requirements for each level.

Risk of Complication and/or Morbidity or Mortality of Patient Management

- The final element in the selection of MDM level is based on the risk of complications and/or morbidity or mortality of patient management decisions made during the visit.
- The AMA provided some examples of management options and for which risk categories they would fall under (please refer to the table below).

Note: If a treatment/management option is considered but ultimately not selected, this may still be used toward calculating the risk within this element. For example, the provider discussed hospice and ultimately thinks it is the best treatment option, but the patient and/or family refuses at the time; the decision for hospice would be used in the selection of risk for this element.

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Level of Medical Decision Making (MDM) – Based on 2 out of 3 Elements			
Level of MDM	Number and Complexity of Problems Addressed	Amount and/or Complexity of Data to be Reviewed and Analyzed <small>(*Each unique test, order, or document contributes to the combination of 2 or combination of 3 in Category 1 below)</small>	Risk of Complication and/or Morbidity or Mortality of Patient Management
Straightforward	Minimal <ul style="list-style-type: none"> • 1 self-limited or minor problem 	Minimal or none	Minimal risk of morbidity from additional diagnostic testing or treatment
Low	Low <ul style="list-style-type: none"> • 2 or more self-limited or minor problems; or • 1 stable chronic illness; or • 1 acute uncomplicated illness or injury 	Limited (must meet the requirements of at least 1 of 2 categories) Category 1: Tests and documents <ul style="list-style-type: none"> • 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* Category 2: Assessment requiring independent historian(s) (For the categories of independent interpretation of tests and discussion of management or test interpretation, see moderate or high)	Low risk of morbidity from additional diagnostic testing or treatment

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Level of Medical Decision Making (MDM) – Based on 2 out of 3 Elements			
Level of MDM	Number and Complexity of Problems Addressed	Amount and/or Complexity of Data to be Reviewed and Analyzed <small>(*Each unique test, order, or document contributes to the combination of 2 or combination of 3 in Category 1 below)</small>	Risk of Complication and/or Morbidity or Mortality of Patient Management
Moderate	<p>Moderate</p> <ul style="list-style-type: none"> • 1 or more chronic illnesses with exacerbation, progression, or side effects of treatment • 2 or more stable chronic illnesses • 1 undiagnosed new problem with uncertain prognosis; or • 1 acute illness with systemic symptoms (e.g., pyelonephritis); or • 1 acute complicated injury (e.g., bladder injury) 	<p>Moderate (*Must meet the requirements of at least 1 out of 3 categories)</p> <p>Category 1: Tests, documents, or independent historian(s)</p> <p>Any combination of 3 from the following:</p> <ul style="list-style-type: none"> • 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 independent historian(s) <p>Category 2: Independent interpretation of tests</p> <ul style="list-style-type: none"> • Performed by another physician or other qualified healthcare professional (not separately reported) <p>Category 3: Discussion of management or test interpretation</p> <ul style="list-style-type: none"> • Done with external physician, other qualified healthcare professional, or appropriate source (not separately reported) 	<p>Moderate risk of morbidity from additional diagnostic testing or treatment</p> <p>Examples:</p> <ul style="list-style-type: none"> • 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 determinants of health

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Level of Medical Decision Making (MDM) – Based on 2 out of 3 Elements			
Level of MDM	Number and Complexity of Problems Addressed	Amount and/or Complexity of Data to be Reviewed and Analyzed <small>(*Each unique test, order, or document contributes to the combination of 2 or combination of 3 in Category 1 below)</small>	Risk of Complication and/or Morbidity or Mortality of Patient Management
High	<p>High</p> <ul style="list-style-type: none"> • 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 	<p>Extensive (*Must meet the requirements of at least 2 out of 3 categories)</p> <p>Category 1: Tests, documents, or independent historian(s) Any combination of 3 from the following:</p> <ul style="list-style-type: none"> • 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 independent historian(s) <p>Category 2: Independent interpretation of tests</p> <ul style="list-style-type: none"> • Performed by another physician or other qualified healthcare professional (no separately reported) <p>Category 3: Discussion of management or test interpretation</p> <ul style="list-style-type: none"> • Done with external physician, other qualified healthcare professional, or appropriate source (not separately reported) 	<p>High risk of morbidity from additional diagnostic testing or treatment</p> <p>Examples:</p> <ul style="list-style-type: none"> • Drug therapy requiring intensive monitoring for toxicity • Decision regarding elective major surgery with identified patient or procedure risk factors • Decision regarding emergency major surgery • Decision regarding hospitalization • Decision to not resuscitate or to de-escalate care because of poor prognosis

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For Inpatient Level Services, please use the AMA link below.

Questions?

Contact us at [#Risk Adjustments and clinical Documentation@healthfirst.org](mailto:#Risk_Adjustments_and_clinical_Documentation@healthfirst.org).

For additional documentation and coding guidance, please visit the coding section on HFproviders.org.

References

- [AMA-ASSN.org, CPT® Evaluation and Management \(E/M\)](http://AMA-ASSN.org)
- [Coding for Evaluation and Management Services | AAFP](http://Coding_for_Evaluation_and_Management_Services_|_AAFP)
- [AAPC.com, CPT® 2024 Brings More E/M Changes](http://AAPC.com)

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