



# Coding Policy Alerts

November/December 2022

This is the **November/December 2022** 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

<p><b>Changes to Evaluation and Management (E/M) Codes for 2023</b></p>	<p>The American Medical Association (AMA) has made significant changes to Evaluation and Management (E/M) codes and E/M coding guidelines effective January 1, 2023. At this time, PHP intends to follow 2023 CPT guidelines for E/M codes except as noted below in red.</p> <p>Some of the critical 2023 E/M changes include:</p> <ol style="list-style-type: none"> <li>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.</li> <li>2. Hospital observation services will be reported with inpatient E/M codes rather than having a separate set of codes.</li> <li>3. MD or other qualified healthcare provider visits to a domiciliary or rest home will be reported with home visit codes rather than having a separate set of codes.</li> <li>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.             <ul style="list-style-type: none"> <li>• <b>NOTE: PHP will follow CMS guidelines for reporting new patient visits in an outpatient setting if CMS guidelines differ from the ones published by the AMA.</b></li> </ul> </li> <li>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.             <ul style="list-style-type: none"> <li>• <b>NOTE: PHP will follow CMS guidelines for reporting initial and subsequent visit 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 stay. The term “subspecialties” was removed from the definition.</b></li> </ul> </li> <li>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.)</li> <li>7. CPT codes 99354 and 99355 for prolonged services in an outpatient setting will be deleted, and all prolonged services in an outpatient setting will be reported with CPT code 99417.             <ul style="list-style-type: none"> <li>• <b>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.</b></li> </ul> </li> <li>8. CPT codes 99356 and 99357 for prolonged services in an inpatient setting will be deleted, and all prolonged services in an inpatient or observation setting will be 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.” As they did with CPT code 99417, CMS plans to publish an equivalent HCPCS G-code for reporting prolonged services in a facility setting instead of using CPT code 99418.</li> </ol>
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	<ul style="list-style-type: none"> <li>NOTE: PHP will follow CMS guidelines for reporting prolonged services in an inpatient or observation setting and will use the HCPCS G-code published by CMS for reporting prolonged services. CMS has proposed three new HCPCS G-codes for billing prolonged services: GXXX1 for prolonged services in an inpatient or observation setting, GXXX2 for prolonged services in a nursing facility, and GXXX3 for prolonged services in the patient’s home or residence. Additional details, including exact codes and code descriptors, will be announced in Coding Policy Alerts when they are published by CMS.</li> </ul> <p>9. CPT codes 99358 and 99359 for prolonged services without face-to-face (FTF) contact will be updated to show they may be used only if the prolonged service is on a day other than the day of the FTF service.</p> <p>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.</p> <ul style="list-style-type: none"> <li>NOTE: PHP will follow CMS guidelines for paying multiple encounters on the same date of service. AMA reported that CMS may continue following current guidelines that allow only the hospital admission service to be billed when the patient is admitted to a facility during the course of an encounter at another site of service, although the final rule has not yet been published.</li> </ul>
<p><b>Multiple Providers Billing Critical Care</b></p>	<p>Critical care is reported with a base code (CPT code 99291) for the first 30-74 minutes of critical care and an add-on code (CPT code 99292) for each additional 30 minutes. Critical care services of fewer than 30 minutes total on a given date are not reported with CPT code 99291 but may be reported with the appropriate E/M code based on the site of service. CPT code 99291 may be reported only once per day by providers of the same specialty within the same provider group.</p> <p>Generally, add-on codes must be billed with a parent code, but PHP makes an exception in the case of CPT code 99292 when multiple physicians of the same specialty in the same group practice provide critical care for the same patient. When two or more physicians of the same specialty in a group practice provide critical care services to the same patient on the same date of service, one physician may report CPT code 99291, and the other physician(s) may report critical care services with CPT code 99292. In this scenario, PHP will allow payment for CPT code 99292 even though it is billed without CPT code 99291.</p>
<p><b>Clinical Edit Inquiries</b></p>	<p>The form for submitting clinical edit inquiries to PHP may be found on ProvLink under “Resources.” Click on the option for “Forms” and “Reimbursement” to find the clinical edit inquiry fax form. The form identifies the appropriate fax number depending on the type of edit. Attach chart notes to support all services billed on the date in question. Appeals will not be considered without accompanying chart notes. PHP also recommends that providers submit a letter of explanation for the inquiry, although this is not required. PHP will consider only the records submitted with the appeal to support services billed. If the documentation does not support all services billed, previous payment may be reversed, and/or a refund may be requested.</p>