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Are commercial health plans required to adopt revisions to the E/M codes?

DEBUNKING REGULATORY MYTHS

AMA's regulatory myths series provides administrative leaders and physicians with resources to reduce guesswork and administrative burdens so their focus can be on improving patient outcomes, streamlining clinical workflow processes, and increasing physician satisfaction. Effective Jan. 1, 2021, the Centers for Medicare & Medicaid Services (CMS) is adopting updated Current Procedural Terminology (CPT®) Evaluation and Management (E/M) codes.

- The revisions only apply to office visits
- Code 99201 has been eliminated
- Codes 99202, 99203, 99204, 99205, 99211, 99212, 99213, 99214 and 99215 descriptors and documentation standards have been revised

These revisions directly address the ongoing need for administrative simplification for physicians. CMS finalized its intent to implement the revised codes on Jan. 1, 2021 with publication of the Final Rule for the CY 2020 Physician Fee Schedule. The AMA has been working closely with EHR vendors, medical specialties and payers to educate them about the changes and new requirements. However, questions persist about whether implementation of the new codes is required or voluntary.

Are commercial payers required to adopt the E/M office visit code revisions?

Yes. The CPT code set, together with the Healthcare Common Procedure Coding System (HCPCS), as maintained by the Department of Health and Human Services, has been adopted as the standard medical data code set for physician services and other health care services in the United States. These updates are now part of the CPT code set. Because health plans are required by HIPAA to use the most recent version of the medical data code set, they should already be planning for implementation in 2021.

Who else needs to implement the E/M office visit code revisions?

Physician practices and others in the health care ecosystem (e.g., coders, third-party plan administrators) should start using the revised code set on Jan. 1, 2021. In addition to confirming adoption with contracted health plans, physician practices should confirm that their EHR vendors are integrating the revised codes into their software systems and will be ready for implementation on Jan. 1, 2021.

Can I still use the automatic coding application in my EHR system to code or check my work?

If an EHR system has an application that can assist with code selection, it is important the physicians confirm with their EHR vendor that these conform to the revised codes and descriptors. The ultimate responsibility for appropriate coding rests with the billing provider.

Facts about the E/M code revisions

The CPT code changes simplify reporting of office visit codes (99202-99215). Importantly, only the medically necessary history and/or exam must be documented and is no longer used to directly determine the appropriate code selection. Clinicians may select the E/M visit level based on either medical decision-making (MDM) or the total time spent on the date of the encounter. The time spent will now reflect the total time (not just face-to-face) that a physician or other qualified health care professional (QHP) spends with a patient on the date of the encounter. The changes also provide greater clarity and standardization to coding and billing based on MDM.

Primary objectives of the code revisions

In 2018, CMS proposed significant changes in the E/M codes in the Physician Fee Schedule. In response to that proposal, 170 national medical and other health care professional organizations called for CMS to rely on the AMA to develop the improvements to the CPT codes and guidelines. The CPT Editorial Panel took seriously the charge from CMS to revise the E/M office visit codes and was guided by four stated primary objectives:

- To reduce the administrative burden of documentation and coding
- To reduce the need for audits, through the addition and expansion of key definitions and guidelines
- To reduce unnecessary documentation in the medical record, which is not needed for patient care
- To ensure that payment for E/M is resource-based and that there is no direct goal for payment redistribution between specialties

Resources and important updates on E/M code changes

The AMA offers a wide variety of free tools and resources to keep you informed on critical updates such as the E/M office visit code changes. These resources include:

- Step-by-step videos on using medical decision-making (MDM) criteria or total time to select a code
- A table illustrating the MDM revisions
- A ten-step checklist to prepare your practice
- A detailed document with the E/M code and guideline changes (PDF)
- An interactive, educational module, "Office Evaluation and Management (E/M) CPT Code Revisions"

Related E/M codes resources

CPT® Evaluation and Management

CPT® Evaluation and Management (E&M) Codes

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