

Part B Insider (Multispecialty) Coding Alert

Evaluation & Management: Docs Kissed Nearly \$1 Billion Goodbye In 2004

But the AMA doesn't want to tinker with [E/M coding](#) again

You could be losing thousands of dollars every year due to downcoded evaluation & management codes - and there's no relief in sight.

The **Centers for Medicare & Medicaid Services** said most of the \$1 billion in underpayments in 2004 came from physician visits. CMS performed a special undercoding study as part of its 2004 report on the Comprehensive Error Rate Testing program, issued in December (see PBI, Vol. 6, no. 1). Meanwhile, E/M visits also account for a significant amount of downcoding.

In the CERT report, CMS said it would ask the **American Medical Association** "to improve existing clinical examples and other documentation guidelines" to improve E/M coding.

But the AMA said, "no thanks." The AMA's House of Delegates passed a resolution calling on CMS to conduct its own pilot studies on using clinical examples to guide E/M coding. The AMA and specialty societies already did their own pilot projects last May and found less than encouraging results (see PBI, Vol.5, no. 23).

The best-performing specialty in last May's clinical examples pilot project had an accuracy rate of only 44 percent, and the worst-performing specialty scored only 26 percent, the AMA says. This result came after the AMA and specialty societies invested a lot of money and energy in developing the examples and getting physicians involved. After that dismal failure, the AMA isn't interested in investing more money in the project, an AMA spokesperson says. If CMS wants to keep the clinical-examples train rolling, it'll have to shovel its own coal. Meanwhile, the CPT Editorial Panel will continue to develop a more viable option for E/M coding.

Even though the "clinical examples" pilot project failed to achieve accurate coding, it also showed that the vast majority of times, the physicians were coding within one level of the correct level, and about half the time they were coding too low.

The AMA also resolved to educate physicians about E/M coding, and CMS said it would encourage the carriers to provide more education.