

## Part B Insider (Multispecialty) Coding Alert

### Evaluation & Management: Feds Nix E/M Blended Payment Proposals

**Hint: Expect the 2020 rule to fix other E/M issues, too.**

Recent evidence suggests that your opinion does matter to Medicare. However, as the feds cut burdens and reverse policies midstream, it's up for debate whether all the turnarounds are really helping providers and healthcare.

**Context:** The Centers for Medicare & Medicaid Services (CMS) reversed course on its 2019 E/M blended payments promises in the Calendar Year (CY) 2020 Medicare Physician Fee Schedule (MPFS) proposed rule, published in the Federal Register on August 14. The agency chucked last year's E/M flat rate proposals and decided to stick with a tiered system after extreme public outcry against the unpopular policy change.

**Here's why:** "Physician stakeholders expressed concerns that the blended payment rates" might "inappropriately incentivize multiple, shorter patient visits and lead to practitioners prioritizing treatment of less complex patients," explains partner attorney **Douglas A. Grimm, FACHE** and attorney **Ashley P. Williams** of national law firm Arent Fox LLP, in the Health Care Counsel Blog.

Plus, the unpopular E/M policy push would have caused coding and billing implementation nightmares.

"From a practical standpoint, anytime there are significant changes to documentation requirements, codes and or coding, it becomes an even greater burden for medical practices and for billers and coders," indicates **Cyndee Weston, CMRS, CMCS CPC**, executive director of the American Medical Billing Association in Davis, Oklahoma. "And, if there are significant changes, often reimbursement suffers for a brief time if a practice doesn't have experienced staff that can provide that training to the practice."

So, taking the public's worries to heart, the agency instead proposes "to align [its] E/M coding with changes laid out by the CPT® Editorial Panel for office/outpatient E/M visits," says a CMS fact sheet on the rule. "The CPT® coding changes retain five levels of coding for established patients, reduce the number of levels to four for office/outpatient E/M visits for new patients, and revise the code definitions."

#### Check Out the Details

In addition to nixing the blended E/M payment rate, CMS hopes to implement other E/M changes that will impact code determinations, usage, and more. Here is a quick overview of what the CY 2020 MPFS proposes for E/M services in the future:

- Cut CPT® 99201 (Office or other outpatient visit for the evaluation and management of a new patient, which requires these 3 key components: A problem focused history; A problem focused examination; Straight-forward medical decision making ...) and go with four options for new patient E/M visits.
- Stick with the current five levels for E/M services for established patients.
- Let providers use time and medical decision-making to determine the E/M service level.
- Rework E/M code definitions to align with CPT® Editorial Panel guidance.
- "Adopt AMA RUC-recommended values for the office/outpatient E/M visit codes for CY 2021 and the new add-on CPT® code for prolonged service time," the fact sheet notes.
- Allow clinicians to decide whether to perform a history or exam if medically appropriate.
- Update with a new add-on code for prolonged services.
- Merge a "Medicare-specific add-on code for office/outpatient E/M visits for primary care and non-pro cedural specialty care" into one code, CMS suggests.

**Industry input:** These proposed changes will surely bring glee to many worried providers, but they are not alone. "We were relieved to learn the CMS has decided to drop the blended payments proposed changes. This would have created a significant burden of change for billing offices across the nation," Weston says.

She adds, "Hopefully, revising the time and medical decision-making documentation requirements will not require a lot of resources to comply. The impact should be minimal if we can reduce the changes to the simplest terms in how to comply and that would certainly be a welcome change!"

The American Medical Association (AMA) was relieved that CMS walked back some of its more alarming E/M policies, too.

"We are pleased to see important policy revisions that will bring us closer to a more patient-centered healthcare system that promotes the key principles of affordability, accessibility, quality and innovation," said AMA President **Patrice A. Harris, MD, MA**, in a statement on the CY 2020 MPFS.

Harris adds, "The proposed changes to documenting and coding for office visits will streamline reporting requirements, reduce note bloat, improve workflow, and contribute to a better environment for healthcare professionals and their Medicare patients."

**Timeline:** If finalized, CMS plans to implement these E/M changes on Jan. 1, 2021.

Stakeholders can comment on the proposals through Sept. 27, 2019 at [www.regulations.gov/document?D=OFCCP-2019-0003-0002](http://www.regulations.gov/document?D=OFCCP-2019-0003-0002).

**Resource:** Read the CY 2020 MPFS proposed rule in the Federal Register at [www.federalregister.gov/documents/2019/08/14/2019-16041/medicare-program-cy-2020-revisions-to-payment-policies-under-the-physician-fee-schedule-and-other](http://www.federalregister.gov/documents/2019/08/14/2019-16041/medicare-program-cy-2020-revisions-to-payment-policies-under-the-physician-fee-schedule-and-other).