Part B Insider (Multispecialty) Coding Alert

Physical Exams: What You Need To Know About 'Welcome To Medicare' Exams

Benes eligible for 6 months after start of Medicare coverage

The new physician fee schedule regulation, published in the August 5, 2004 Federal Register, provides long-awaited clarification on how the **Centers for Medicare & Medicaid Services** will implement the new "Welcome to Medicare" physical exam.

CMS says it'll cover one initial physical exam for patients within six months of the start of their first Medicare Part B coverage period, as long as that period begins after January 1, 2005. The physical examination includes height, weight and electrocardiogram, but excludes clinical laboratory tests. During this "welcome exam," the physician also should cover education, counseling and referrals about screening tests that Medicare covers, including mammographies and bone mass measurements.

The physician should review the patient's medical and social history, potential risk factors for depression, functional ability and level of safety at home (including risk of falls and impairment of activities of daily living). CMS has chosen not to define what's an appropriate screening instrument for depression, functional ability and safety level, but might use the National Coverage Determination process to specify further in the future.

CMS is creating a new G-code for "initial physical examination," but when the physician performs screening tests or preventive examinations that already have codes, you should bill for those using the proper CPT Codes. The new payment will be based on 1.51 work RVUs, equivalent to a new patient visit (99203), plus an electrocardiogram (93000). The new code will have 0.13 malpractice RVUs and 1.65 practice expense RVUs in the non-facility setting.

You'll be able to bill an evaluation & management service of no more than level 2 on the same date as an initial physical exam. But it must be medically necessary to treat a particular illness or injury, or improve the function of a "malformed body member." Use the -25 modifier to bill for an E/M visit separately, CMS says. But Medicare won't waive the copayment or deductible for this examination.