

Part B Insider (Multispecialty) Coding Alert

Physician Notes: Clinical Examples for E/M Put On Hold by Medicare Reform Law

HHS must work with doctors, plan improvements and run pilot projects

The plan to replace the 1995 and 1997 evaluation and management coding guidelines with "clinical examples" has hit another big snag.

According to the American Health Information Management Association, Section 941 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 contains a little-noticed clause requiring the HHS Secretary to jump through several hoops before changing E/M documentation guidelines.

The Secretary must consult with physicians and provide for an assessment of proposed guidelines by the physician community. And, HHS must set up a plan containing specific goals for improving the guidelines, with a schedule for improving them. HHS must also set up pilot projects to test the new guidelines, and set up a program to educate physicians on the use of such guidelines.

The Secretary has until Oct. 1, 2005, to present Congress with the results of a study of other, simpler documentation systems for physician claims.

HHS must also study how to code extended office visits for which the doctor doesn't make an appropriate diagnosis. The report should include recommendations on how to code for such visits in a manner that takes account of how much time the physician spent with the patient.

1. Healthcare spending rose 9.3 percent from 2001 to 2002, to a new high of \$1.6 trillion. This compares with just \$1.3 trillion in 2000. The rate of health spending increases has gone up six years in a row, according to a new report from the Centers for Medicare & Medicaid Services.
2. The Department of Health and Human Services plans dozens of new regulatory proposals, according to its Regulatory Agenda, published in the Dec. 22 Federal Register. For one thing, the much-anticipated "Phase II" final rule on the Stark physician self-referral law is due any time now. Also in the pipeline are criteria for determining whether a drug is considered self-administered and payment updates for physicians and other provider types.
3. Former Centers for Medicare & Medicaid Services chief Tom Scully has accepted a partnership with Washington, D.C., law firm Alston & Bird. Scully joins a team with former Sen. Bob Dole and the Senate Finance Committee's lead staffer on the Medicare bill, Colin Roskey.
4. Providers are making slow but tangible progress in submitting Health Insurance Portability and Accountability Act-compliant Medicare claims. According to CMS data, 51.77 percent of Medicare electronic claims submitted from Dec. 8-12 were received in proper HIPAA format. That's up from 48.4 percent the week of Nov. 10.