

## Psychiatry Coding & Reimbursement Alert

### Back to Basics: Discern Between New vs. Established Codes by Using The 3-Year Rule

**Hint: The place of service won't be the deciding factor.**

Whenever you are reporting an office or outpatient evaluation and management (E/M) service that your psychiatrist performs, the first thing that you will need to look for whether the patient is new or established. If you understand how to determine this using the three-year rule, your E/M coding will definitely become easier.

Take a look at what the experts have to say about when  and how  to apply the infamous three-year criterion.

Turn to CPT® for Guidance

The chief factor in determining whether a patient is new or established is time, and you must decide whether your provider has seen the patient in the past, and if he has, how long ago.

**Rule:** CPT® clearly defines what qualifies as an established patient: "An established patient is one who has received professional services from the physician/qualified healthcare professional or another physician/qualified healthcare professional of the exact same specialty and subspecialty who belongs to the same group practice, within the past three years."

In CPT® parlance, "professional services" are "those face-to-face services rendered by physicians and other qualified health care professionals who may report evaluation and management services reported by a specific CPT code(s)."

Ask yourself, "Has the patient seen the provider in the past three years?" Here's how to code based on your answer:

- **Yes:** If your provider has billed for a professional service in the past three years for a patient, you'll report the visit using established patient E/M codes (such as 99211-99215), says **Becky Boone, CPC, CUC**, certified reimbursement assistant for the University of Missouri Department of Surgery in Columbia.
- **No:** If your provider has not seen the patient within the past three years and neither has another provider of the same specialty and subspecialty, you can report a new patient E/M code (such as 99201-99205), instructs **Christy Shanley, CPC, CUC**, administrator for the University of California, Irvine department of urology.

Don't Assume a New Provider Means New Patient

If the patient has been seen before within the same practice, even though he switched doctors, he is an established patient.

If you are in a group physician setting, under the same tax ID, you have to determine if the patient has seen any of the doctors (of the same specialty) and when before you can decide on a new or established patient code.

**Example:** A psychiatrist in your practice provides an initial inpatient consultation to a patient he's never seen before. The patient then comes to your office for follow-up care one week later, but sees a different psychiatrist because the first psychiatrist is unavailable. You should report an established patient office visit for the physician's in-office follow-up.

Even though the patient has never been to your office, and the second physician has never seen the patient, you should report an established patient code. The patient is an established patient because a physician in the same specialty and group provided professional services within the past three years.

**Exception:** The rules differ for subspecialties. If your practice has sub-specialists, you may have a situation when you

should use new patient E/M codes for an otherwise established patient. Check with your individual payers to see how they define new and established patient visits with regard to different specialties and sub-specialties in the same group.

The CPT® 2013 definition states, "A new patient is one who has not received any professional services from the physician/qualified health care professional or another physician/qualified health care professional of the exact same specialty and subspecialty who belongs to the same group practice, within the past three years."

**What this means to you:** If your practice employs various subspecialists, CPT® now makes it clear that you can bill claims for patients who see different doctors with different subspecialties using a new patient code [such as 99201-99205].

**Caution:** Reporting a new patient visit code may be appropriate when the patient sees different doctors with different specialties or subspecialties in the same practice. However, it can create confusion on the part of the patient, if he or she is astute enough to recognize that multiple visits to the same practice are all being reported as "new patient" visits. This is because the patient may not distinguish among different specialties and subspecialties and may think of the practice as a single entity rather than a collection of different physicians. In this scenario, you will either need to be prepared to explain the "new versus established" distinction to the patient or simply code the encounter as "established" in the interest of patient relations.

**Note:** Per CPT®, a qualified health care professional such as a nurse practitioner or physician assistant are considered as working in the exact same specialty and exact same subspecialties as the physician with whom they are working.

#### Avoid Coding Based on Location

You should not use place of service (POS) as an indication of new versus established patient. Based on CPT®'s established patient definition, new versus established refers to the patient's relationship to the physician, not his relationship to the practice or its location.

"POS is irrelevant," Shanley says. Even if your physician saw a patient in the emergency room rather than in your office, the next time your provider or one of his associates in the same specialty sees that patient he is an established patient.

**Guideline:** If a physician provides professional services to a patient in the hospital, all of his partners (physicians) in the same specialty, with or without the same tax identification number, who provide subsequent office or outpatient care must consider the patient an established patient and bill the appropriate established patient office visit code (99211-99215).

#### Pay Attention When Physicians Change Practices

All of these new versus established patient rules also apply to a new physician in your practice. If the new provider has provided professional services to a patient elsewhere, such as in a hospital or other practice, within the last 36 months, the patient is an established patient even if this is his first visit to your practice.

If a patient's doctor leaves the practice but the patient starts seeing another doctor within that practice, the patient is still established because the physicians (assuming they're in the same specialty) use the same tax ID, Boone says. And if that patient follows the doctor to a new location, s/he is still an established patient. To determine new or established patient payments, insurers will look at the provider's National Provider Identifier (NPI), not where the service was provided.