

Psychiatry Coding & Reimbursement Alert

Mythbuster: Be Aware of These 4 New vs. Established E/M Myths to Avoid Losses

Hint: Don't determine patient status using location as a criterion.

When your clinician is performing an E/M encounter in the office setup, your reporting of this encounter begins with identifying whether or not you have to use a "new" patient code or to report with an "established" patient code.

Bust these four common myths that will help you overcome coding hurdles and help you better understand the rules for when to report a new patient E/M code and when to use an established patient E/M code.

Myth 1: Repeat Patients Are Always Established

Reality: This is not always true. According to CPT®'s definition of 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.

If any patient has not been seen by your clinician or another clinician in your specialty or subspecialty in the same group in the past three years, then you can report an E/M encounter that the patient has with an appropriate new patient E/M code.

Reimbursement: You will lose out on deserved pay if you are reporting an established patient code instead of using a new patient code. For instance, you will be losing about \$63 if you report 99215 instead of 99205. The 2016 non-facility total relative value units (RVUs) for 99205 are 5.82 RVUs while 99215 carries 4.07 total RVUs in the non-facility setting. This translates to a Medicare reimbursement of \$208.38 for 99205 while you will only receive \$145.72 for 99215.

As you stand to lose out on deserved pay, it is best to see if your clinician or any one in the same specialty within the group has seen the patient before and if so, has the patient been seen in the past three years. So, check when your clinician or the other physician has last seen the patient and if the time gap has been more than 3 years, report the encounter with a new patient E/M code.

Caution: "Most patients will not be familiar with the CPT® definitions of 'new' and 'established' patients, so if they have come to the practice before, they may think of themselves as 'established,' regardless of how long it has been," says **Kent Moore**, senior strategist for physician payment at the American Academy of Family Physicians. "If you are going to adhere to the CPT® definitions in this situation, it may be helpful to let the patient know in advance of billing that, because you have not seen them in the past three years, they will be considered 'new' at this encounter. That may help avoid unpleasant surprises when the patient gets the bill, especially since new patient visits are priced higher than the corresponding level of established patient visits," Moore adds.

Myth 2: Patient Seen by Any Specialty is Established

Reality: If you're in a multispecialty practice and a physician from one specialty has seen the patient before seeing your psychiatrist, you should not necessarily consider that patient as an established patient. You should note that if a patient has seen a clinician from another specialty in the past three years but has not received services from your clinician or any other psychiatrist in your group in the past three years, then the patient should be considered "new" and not "established" when he/ she first sees your clinician.

The definition of established patient includes the phrase "exact same specialty and subspecialty who belongs to the

same group practice." That means that if the patient is seeing physicians from different specialties within the group in a three year span, then the patient may be a "new" patient for one physician in a given specialty even though he has seen a physician from another specialty in the group.

Example: A neurologist in your multispecialty practice saw a 56-year-old male patient with complaints of tingling numbness and pain in the extremities on 3/8/14. The patient was a new patient to the physician and the practice at that time. He was evaluated by your neurologist, and the encounter was reported with a new patient code 99203. The same patient was not served again by your practice until he reported to your practice with complaints of suffering from anxiety and panic attacks on 4/4/16. The patient was evaluated by your psychiatrist. Even though the patient was seen in your practice within a span of 3 years, you will still report this encounter with a new patient E/M code as the patient saw a physician from another specialty during the initial encounter.

"This is another area in which a patient's lack of knowledge of the CPT® definitions may necessitate deviating from what is technically permissible to code for the sake of patient relations," Moore says. "Explaining to a patient that they are 'new' because they saw a psychiatrist today and a neurologist in the same practice two years ago will be difficult, bordering on impossible. To avoid patient disgruntlement and potential bad word of mouth about the practice, it may be preferable to code the encounter with your psychiatrist as 'established,' even though that is technically incorrect and results in lost income to the practice for that encounter."

Myth 3: Any Prior Services Amounts to "Established"

Reality: According to the definition for an established patient, if a patient has received professional services from the physician within a span of 3 years, then the patient is considered to be an established patient. 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)."

So, in order to determine whether the patient is new or established, you will need to determine if any previous services the patient had with your physician or any other physician from your same specialty or subspecialty in the group were "face-to-face." Only **face-to-face** services that can be reported with a specific CPT® code(s) count as "professional services" for purposes of determining whether an encounter that the patient had with your physician face-to-face can be reported with a new or established patient E/M code.

For instance, imagine your psychiatrist only performed the interpretation and report of some psychological tests and did not actually meet the patient on 2/10/16. During the next visit on 3/10/16, your clinician met the patient and performed an E/M service. This succeeding visit on 3/10 may be reported with a "new" patient E/M code, assuming all of the other elements of the new patient definition are met, because the interpretation was not face-to-face and, therefore, not a professional service in this context.

Myth 4: Old Patient in New Practice □ Report New Patient Code

Reality: If your psychiatrist has recently changed practices and some of his old patients are continuing to see him in the new practice, you cannot think of reporting these encounters your clinician has with these patients in the new practice with a new patient code. CPT®'s definition makes it clear that new versus established refers to the patient's relationship to the physician, not his relationship to the practice or its location.

You should not look at where your clinician saw the patient in a previous encounter as this is not detrimental to reporting between new and established. You will continue to report all subsequent encounters the patient has with your clinician in a 3 year span with "established" patient codes even though it is the patient's first visit to your practice.

Caveat: Likewise, if any of your clinicians is seeing a patient in another location such as an emergency ward of the hospital prior to seeing the patient for the first time in your practice, you will report the encounter in your practice with established patient codes.