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ACCMA Alert Regarding Medicare

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21.2% Medicare SGR Cut Stopped

Responding to ACCMA/CMA/AMA advocacy, President Obama has signed legislation preventing the scheduled 21.2 percent cut in Medicare payments from taking place on January 1st. The cut is delayed for 60 days, until February 28th, giving Congress time to adopt a longer term solution to the unfair Medicare payment formula known as the "Sustainable Growth Rate" (SGR). This means that the fee schedule posted on 12/17 by Medicare contractor PalmettoGBA (see Fee Schedules under the "Self-Service Tools" list at www.palmettogba.com/J1B) is 21.2% lower than it will actually be on January 1st.

Passage of legislation to stop the 21.2% cut prompted Medicare to extend the 2010 "participation" enrollment deadline again, until March 17. The effective date for any participation status change during the extension, however, remains Jan. 1, and will be in force for the entire year.

Consult Codes Eliminated and Other Codes Revalued Effective January 1

Unfortunately, changes in payment policies and valuations of individual codes that were incorporated in the Medicare payment rule for 2010 remain in effect, and Medicare has refused to delay or reverse these changes. This includes elimination of payment of consultation codes and reduced valuation of many procedural codes. E&M codes will receive increases in valuation under the rule. The expected results are modest increases in average Medicare pay for physicians in primary care and reductions in average pay for some specialists. Projected changes are as follows (from highest to lowest): Ophthalmology +5%; Family Practice +4%; General Practice +3%; Geriatrics +3%; Internal Medicine +2%; Interventional Radiology -3%; Urology -4%; Radiology -5%; Cardiology -8%; and Nuclear Medicine -18%.

ACCMA to Offer Webinar on Billing for Consultations, Making a Decision on "Participation"

Anticipating that many ACCMA members will be unsure how to bill for consultations, and would also like guidance on making a decision about whether to be a "Participating" or "Non-Participating" physician in Medicare in 2010, the ACCMA will host a webinar over the lunch hour on January 13th presented by Mary Jean Sage of Sage & Associates. Ms. Sage has extensive experience with the Medicare program and is knowledgeable about billing and coding practices. Announcements for this program will be distributed next week.

Initial Guidance on Billing for Consultations

(Prepared from Information Provided by the California Medical Association)

The eliminated consultation codes comprise 99241-99244 for office or other outpatient consults and 99251-99255 for inpatient consultations. According to the new rules, Medicare is requiring physicians instead of billing for consultation services to bill using evaluation and management (E&M) codes from the Office and Other Outpatient Services, Initial Hospital Care, and Initial Nursing Facility

sections of the 2010 CPT coding guidelines. Physicians using electronic medical and health records (EMR/EHR) software and practice management and other coding systems should contact their vendors for any necessary program updates. Guidance on coding is as follows:

Office and Other Outpatient Services - For consultative services provided in physician offices or other outpatient settings, physicians will need to report the level of care provided based on CPT coding requirements for E&M services (i.e., history and exam, medical decision making and contributory factors presenting problem [severity], counseling, coordination of care and typical face-to-face time). For example, instead of using criteria for consultation CPT codes 99241-99245, physicians will need to follow AMA CPT coding guidelines for CPT codes 99201-99205 and 99211-99215 to determine the appropriate level of care (new or established) provided to the patient. "The descriptors for the levels of E&M recognize seven components, six of which are used in defining the levels of E&M services. The first three components (history, examination, and medical decision making) are considered the key components and are required in selecting the appropriate level of E&M services. The next three components (counseling, coordination of care, and the nature of the presenting problem) are considered contributory factors and while important, they are not required to be provided during each patient encounter."(source AMA CPT 2010) It is important to note that there is time variance between consultation codes and office visit codes that the physician typically spends face-to-face with the patient according to CPT coding guidelines. However, time references in CPT guidelines are only averages and, therefore, coding should depend on the actual clinical circumstances. Given the change in these rules physicians should familiarize themselves with CPT coding guidelines when 50% or more of the visit is spent on counseling and/or coordination of care, and the use of CPT Prolonged (Face-To-Face) Service Add-on codes (99354-99357). The following illustrates the crosswalk between outpatient consultation codes and corresponding E&M codes:

CPT Consultation Code	Coding Crosswalk – New Patient (Requires all three key components	CPT Crosswalk Established Patient (requires two of three key components)
99241	99201 • Problem focused History • A problem focused examination • Straightforward medical decision making	99211 • Problem focused history • A problem focused examination • Straightforward medical decision making
99242	99202 • An expanded problem focused history • An expanded problem focused examination • Straightforward medical decision making	99212 • An expanded problem focused history • An expanded problem focused examination • Straightforward medical decision making
99243	99203 • A detailed history • A detailed examination • Medical decision making of low complexity	99213 • A detailed history • A detailed examination • Medical decision making of low complexity

99244	99204 • A comprehensive history • A comprehensive examination • Medical decision making of moderate complexity	99214 • A comprehensive history • A comprehensive examination • Medical decision making of moderate complexity
99245	99205 • A comprehensive history • A comprehensive examination • Medical decision making of high complexity	99215 • A comprehensive history • A comprehensive examination • Medical decision making of high complexity

Inpatient and SNF Services - Physicians will no longer use CPT codes 99251-99255 for reporting consultative services provided to patients in inpatient hospital or skilled nursing facility settings. Instead physicians (and qualified non-physicians) are required to report these services by selecting the appropriate CPT Initial Hospital Care codes (99221- 99223) or nursing facility care codes (99304-99306). There is no direct crosswalk between hospital consultation codes and initial hospital care and nursing facility codes. To crosswalk, physicians should choose the corresponding initial hospital care or nursing facility care code that meets all three levels of the key components (History &Exam, Medical Decisionmaking; Presenting Problem(s)). (For detailed guidance on determining the appropriate E&M code that describes the level of service provided in a consultation, refer to the E&M guidelines in the American Medical Association's CPT 2010). As a result of this change, multiple billings of initial hospital and nursing home visit codes could occur even in a single day.

Another important change is that the Modifier "-AI," defined as "Principal Physician of Record," must be used by the admitting or attending physician who oversees the patient's care, as distinct from other physicians who may be furnishing specialty care. The principal physician of record must append modifier "-AI" in addition to the initial visit code. All other physicians who perform an initial evaluation on this patient shall bill only the E&M code for the complexity level performed.

CMS Links for More Information:
Consultation Rule: http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6740.pdf
1995 coding guidelines: http://www.cms.hhs.gov/MLNProducts/Downloads/1995dg.pdf
1997 coding guidelines: http://www.cms.hhs.gov/MLNProducts/Downloads/MASTER1.pdf
E&M Guide: http://www.cms.hhs.gov/MLNProducts/downloads/eval_mgmt_serv_guide.pdf

Call the ACCMA for assistance at (510) 654-5383 or contact us by e-mail at accma@accma.org.