NOTICE: Provider Manual Update
Chapter 7: General Billing Rules
Evaluation and Management Services

October 12, 2017

When determining the level of “established patient” Evaluation and Management (E&M) services (i.e., 99211 – 99215), Medical Decision Making must be one of the components (history, exam, medical decision making) required. The volume of documentation should not be the primary influence upon which a specific level of service is billed. Documentation should support the level of service reported. [CMS, Chapter 12, Section 30.6.1]

Medical decision making (MDM) is defined by the complexity of a physician’s work that is necessary to establish a diagnosis and/or to select a healthcare management option.

Evaluation and Management services are assigned based on the medical appropriateness and/or necessity of the physician patient encounter. E&M services must meet the specific requirements of the Current Procedural Terminology (CPT) code billed on the claim with the caveat that 1 of the determining components must include medical decision making. A physician should not submit a CPT code for a high level E&M service (i.e., 99214 or 99215) when the circumstances surrounding the physician patient encounter do not support medical decision making of moderate to high complexity.

Health Choice requires that a provider who bills a high level E&M code is either treating a very ill patient or the physician was required to review an extensive amount of clinical data to determine the best health management option. To help ensure proper reimbursement when billing high level E&M codes, providers must show documentation that supports medical necessity which could include:
1. An extensive number of diagnoses or management options were reviewed
2. An extensive amount and/or complexity of data was reviewed
3. Baseline condition at high risk of complications and/or morbidity or mortality
4. Medical Decision Making of moderate or high complexity
5. Documentation of total time; and counseling dominates (more than 50%) of the encounter

Related Content for Reference to identify MDM: