

E & M

Big Evaluation and Management Service Changes in 2023

Choosing E&M levels is not a subjective process.

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The process by which office and other outpatient evaluation and management (E&M) levels are selected was changed by the AMA CPT® Editorial Panel effective January 1, 2021.¹ This was a welcome change as it resulted in the removal of barriers that made it difficult for some specialists to reach higher level office and other outpatient E&M levels. Effective January 1, 2023, under the guidance of the AMA CPT Editorial Panel, these same changes will also be applied to the method used to select the level of these E&M services:

- Hospital Inpatient and Observation Care
- Consultation
- Emergency Department
- Nursing Facility
- Home or Residence

With this change, the levels of office or other outpatient, hospital inpatient and observation care, consultation, emergency department, nurs-

ing facility, and home or residence E&M services will be selected based on medical decision-making only or total time only. The levels of all other evaluation and management service types will still be selected using the

and observation care, consultation, emergency department, nursing facility, or home or residence E&M services. Items such as number of systems reviewed and number of exam bullets will not play a role in select-

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1992 and 1997 Documentation Guidelines for Evaluation and Management Services.

Why This Is Great News

With these changes, the quantity of the history and exam portions of an encounter will not play a role in determining the level of office or other outpatient, hospital inpatient

ing the level of these E&M types. Providers should still perform and document the history and exam elements that are necessary to complete a thorough encounter and appropriately manage their risk, but only medical decision-making or total time will determine the level of the E&M types listed here.

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Who Does This Guidance Apply to?

This guidance applies equally to all provider types who submit E&M services. This guidance was created by AMA's CPT Editorial Panel, appears in the CPT Professional book, and applies to all payers who accept CPT codes. Payers who accept CPT codes cannot alter the definition of CPT codes, nor can they selectively choose which aspects of CPT guidance they respect. AMA guidance states:

"The CPT code set, together with the U.S. Department of Health and Human Services' Healthcare Common Procedure Coding System, has been adopted as the nation's standard medical data code set. HIPAA requires that health plans use the most recent version of the medical data code set."

Level Selection

As of January 1, 2023, office or other outpatient, hospital inpatient and observation care, consultation, emergency department, nursing facility, and home or residence E&M service levels will be selected based on either medical decision-making only or total time only. Providers should complete the encounter, complete their documentation, and then assess what the E&M level would be based on medical decision-making and, separately, what the E&M level would be based on total time. Whichever pathway results in a higher-level E&M should be used to determine the E&M level. Either pathway may be used, and neither pathway is preferred over the other. Choosing the E&M level for a certain patient today does not obligate a provider to use the same pathway the next time they see that same patient. For each unique encounter, either pathway can be used to select the E&M level.

Medical Decision-Making

When using medical decision-making to determine the E&M level for any of these services, the four medical decision-making levels are:

- Straightforward Medical Decision-Making

- Low Medical Decision-Making
- Moderate Medical Decision-Making
- High Medical Decision-Making

When choosing the E&M level based on medical decision-making, three elements of medical decision-making are considered:

- Number and Complexity of Problems Addressed
- Amount and/or Complexity of Data to be Reviewed and Analyzed

Conclusion

Choosing E&M levels is not a subjective process. AMA CPT Guidelines must be followed when applicable. This article shares the process by which office or other outpatient, hospital inpatient and observation care, consultation, emergency department, nursing facility, and home or residence E&M levels will be selected as of January 1, 2023. The levels of all other evaluation and management service

Time spent by the provider on a day other than the day of the encounter does not count toward determining the E&M level.

- Risk of Complications and/or Morbidity or Mortality of Patient Management

Each office or other outpatient, hospital inpatient and observation care, consultation, emergency department, nursing facility, and home or residence E&M level has its own thresholds of those three elements. When reviewing an encounter, if what was medically necessary, performed, and documented meets the thresholds of two of a level's three elements, that E&M level may be selected. AMA CPT shares the details of each of those thresholds in Figure 1 on page 49.

Total Time

When using time to determine the office or other outpatient, hospital inpatient and observation care, consultation, emergency department, nursing facility, and home or residence E&M level, the total time spent by the provider performing the evaluation and management on the calendar date of the encounter is considered. Staff and assistant time does not count toward determining the E&M level. Time spent by the provider on a day other than the day of the encounter does not count toward determining the E&M level. Each of the CPT code descriptors for the E&M types listed in this article includes a time value in minutes.

types will still be selected using the 1995 and 1997 Documentation Guidelines for Evaluation and Management Services. This guidance applies to all provider types and does not change based on third-party payer. **PM**

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References

¹ <https://www.ama-assn.org/system/files/2023-e-m-descriptors-guidelines.pdf>

² <https://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnedwebguide/downloads/95docguidelines.pdf>

³ <https://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnedwebguide/downloads/97docguidelines.pdf>



Dr. Lehrman is a Certified Professional Coder, Certified Professional Medical Auditor, and operates Lehrman Consulting, LLC, which provides guidance regarding coding, compliance, and documentation. Follow him

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FIGURE 1

**CPT E/M Office Revisions
Level of Medical Decision Making (MDM)**

Revisions effective January 1, 2021:

Note: this content will not be included in the CPT 2020 code set release

Code	Level of MDM (Based on 2 out of 3 Elements of MDM)	Number and Complexity of Problems Addressed	Elements of Medical Decision Making Amount and/or Complexity of Data to be Reviewed and Analyzed <i>*Each unique test, order, or document contributes to the combination of 2 or combination of 3 in Category 1 below.</i>	Risk of Complications and/or Morbidity or Mortality of Patient Management
99211	N/A	N/A	N/A	N/A
99202 99212	Straightforward	Minimal • 1 self-limited or minor problem	Minimal or none	Minimal risk of morbidity from additional diagnostic testing or treatment
99203 99213	Low	Low • 2 or more self-limited or minor problems; or • 1 stable chronic illness; or • 1 acute, uncomplicated illness or injury	Limited <i>(Must meet the requirements of at least 1 of the 2 categories)</i> Category 1: Tests and documents • Any combination of 2 from the following: • Review of prior external note(s) from each unique source*; • Review of the result(s) of each unique test*; • ordering of each unique test* or Category 2: Assessment requiring an independent historian(s) <i>(For the categories of independent interpretation of tests and discussion of management or test interpretation, see moderate or high)</i>	Low risk of morbidity from additional diagnostic testing or treatment
99204 99214	Moderate	Moderate • 1 or more chronic illnesses with exacerbation, progression, or side effects of treatment; or • 2 or more stable chronic illnesses; or • 1 undiagnosed new problem with uncertain prognosis; or • 1 acute illness with systemic symptoms; or • 1 acute complicated injury	Moderate <i>(Must meet the requirements of at least 1 out of 3 categories)</i> Category 1: Tests, documents, or independent historian(s) • Any combination of 3 from the following: • Review of prior external note(s) from each unique source*; • Review of the result(s) of each unique test*; • Ordering of each unique test*; • Assessment requiring an independent historian(s) or Category 2: Independent interpretation of tests • Independent interpretation of a test performed by another physician/other qualified health care professional (not separately reported); or Category 3: Discussion of management or test interpretation • Discussion of management or test interpretation with external physician/other qualified health care professional/appropriate source (not separately reported)	Moderate risk of morbidity from additional diagnostic testing or treatment <i>Examples only:</i> • Prescription drug management • Decision regarding minor surgery with identified patient or procedure risk factors • Decision regarding elective major surgery without identified patient or procedure risk factors • Diagnosis or treatment significantly limited by social determinants of health
99205 99215	High	High • 1 or more chronic illnesses with severe exacerbation, progression, or side effects of treatment; or • 1 acute or chronic illness or injury that poses a threat to life or bodily function	Extensive <i>(Must meet the requirements of at least 2 out of 3 categories)</i> Category 1: Tests, documents, or independent historian(s) • Any combination of 3 from the following: • Review of prior external note(s) from each unique source*; • Review of the result(s) of each unique test*; • Ordering of each unique test*; • Assessment requiring an independent historian(s) or Category 2: Independent interpretation of tests • Independent interpretation of a test performed by another physician/other qualified health care professional (not separately reported); or Category 3: Discussion of management or test interpretation • Discussion of management or test interpretation with external physician/other qualified health care professional/appropriate source (not separately reported)	High risk of morbidity from additional diagnostic testing or treatment <i>Examples only:</i> • Drug therapy requiring intensive monitoring for toxicity • Decision regarding elective major surgery with identified patient or procedure risk factors • Decision regarding emergency major surgery • Decision regarding hospitalization • Decision not to resuscitate or to de-escalate care because of poor prognosis

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