

## EVALUATION AND MANAGEMENT GUIDELINES

This Fee Schedule has been updated to incorporate by reference the 2021 Edition of the American Medical Association's *Current Procedural Terminology* (CPT®) publication, including the general guidelines, identifiers, modifiers, and terminology changes associated with the adopted codes. In this Fee Schedule CPT® codes that contain explanatory language specific to Arizona are preceded by Δ. Codes, however, that are unique to Arizona and not otherwise found in CPT® are preceded by an AZ identifier and numbered in the following format: AZxxx. Additional information regarding publications adopted by reference is found in the Introduction of the Fee Schedule.

The evaluation and management guidelines adopted by reference may be found in the *Current Procedural Terminology*® (CPT®) published by the AMA and is reprinted, in part, below with permission. To the extent that a conflict may exist between an adopted portion of the CPT® and a code, guideline, identifier or modifier unique to Arizona, then the Arizona code, guideline, identifier or modifier shall control.

Documentation and review of records is inclusive to the performance of the appropriate E/M service. A health care provider shall only be reimbursed for time that is not accounted for in the E/M service code by billing codes 99354, 99355, 99356, 99357, 99358, or 99359. Proper documentation must justify the use of these codes and accompany the invoice.

Two HCPCS codes are included in this section of the 2021/2022 Fee Schedule:

G2010 – Remote evaluation of recorded video and/or images submitted by an established patient (e.g., store and forward), including interpretation with follow-up with the patient within 24 business hours, not originating from a related E/M service provided within the previous 7 days nor leading to an E/M service or procedure within the next 24 hours or soonest available appointment.

G2012 – Brief communication technology-based service, e.g., virtual check-in, by a physician or other qualified health care professional who can report evaluation and management services, provided to an established patient, not originating from a related E/M service provided within the previous 7 days nor leading to an E/M service or procedure within the next 24 hours or soonest available appointment; 5-10 minutes of medical discussion.

### **A. CLASSIFICATION OF EVALUATION AND MANAGEMENT (E/M) SERVICES.**

The E/M section is divided into broad categories such as office visits, hospital visits, and consultations. Most of the categories are further divided into two or more subcategories of E/M services. For example, there are two subcategories of office visits (new patient and established patient) and there are two subcategories of hospital visits (initial and subsequent). The subcategories of E/M services are further classified into levels of E/M services that are identified by specific codes.

The basic format of the levels of E/M services is the same for most categories. First, a unique code number is listed. Second, the place and/or type of service is specified, e.g.,

office consultation. Third, the content of the service is defined. Fourth, time is specified. A detailed discussion of time is provided in Section C.

## **B. DEFINITIONS OF COMMONLY USED TERMS.**

Certain key words and phrases are used throughout the E/M section. The following definitions are intended to reduce the potential for differing interpretations and to increase the consistency of reporting by physicians. The definitions in the E/M Guidelines are provided solely for the basis of code selection.

Some definitions are common to all categories of services and others are specific to one or more categories only.

## **C. GUIDELINES COMMON TO ALL E/M SERVICES.**

- **Levels of E/M Services:** Within each category or subcategory of E/M service, there are three to five levels of E/M services available for reporting purposes. Levels of E/M services are NOT interchangeable among the different categories or subcategories of service. For example, the first level of E/M services in the subcategory of office visit, new patient, does not have the same definition as the first level of E/M services in the subcategory of office visit, established patient. Each level of E/M services may be used by all physicians.
- **New and Established Patient:** Solely for the purposes of distinguishing between new and established patients, professional services are those face-to-face services rendered by physicians who may report evaluation and management services reported by a specific CPT® code(s). A new patient is one who has not received any professional services from the physician or another physician of the exact same specialty and subspecialty who belongs to the same group practice, within the past three years.

An established patient is one who has received professional services from the physician or another physician of the exact same specialty and subspecialty who belongs to the same group practice, within the past three years.

In the instance where a physician is on call for or covering for another physician, the patient's encounter will be classified as it would have been by the physician who is not available. When advanced practice nurses and physician assistants are working with physicians, they are considered as working in the exact same specialty and exact same subspecialties as the physician.

No distinction is made between new and established patients in the emergency department. E/M services in the emergency department category may be reported for any new or established patient who presents for treatment in the emergency department.

- **Time:** The inclusion of time in the definitions of levels of E/M services has been implicit in prior editions of the CPT® codebook. The inclusion of time as an explicit factor beginning in CPT® 1992 is done to assist in selecting the most appropriate level

of E/M services. Beginning with CPT® 2021, except for 99211, time alone may be used to select the appropriate code level for the office or other outpatient E/M services codes (99202, 99203, 99204, 99205, 99212, 99213, 99214, 99215). Different categories of services use time differently. It is important to review the instructions for each category.

Time is **not** a descriptive component for the emergency department levels of E/M services because emergency department services are typically provided on a variable intensity basis, often involving multiple encounters with several patients over an extended period of time. Therefore, it is often difficult to provide accurate estimates of the time spent face-to-face with the patient.

Time may be used to select a code level in office or other outpatient services whether or not counseling and/or coordination of care dominates the service. Time may only be used for selecting the level of the *other* E/M services when counseling and/or coordination of care dominates the service.

When time is used for reporting E/M services codes, the time defined in the service descriptors is used for selecting the appropriate level of services. The E/M services for which these guidelines apply require a face-to-face encounter with the physician. For office or other outpatient services, if the physician's time is spent in the supervision of clinical staff who perform the face-to-face services of the encounter, use 99211.

A shared or split visit is defined as a visit in which a physician and other qualified health care professional jointly provide face-to-face and non-face-to-face work related to the visit. When time is being used to select the appropriate level of services for which time-based reporting of shared or split visits is allowed, the time personally spent by the physician and other qualified health care professional(s) assessing and managing the patient on the date of the encounter is summed to define total time. Only distinct time should be summed for shared or split visits (i.e., when two or more individuals jointly meet with or discuss the patient, only the time of one individual should be counted).

When prolonged time occurs, the appropriate prolonged services code may be reported. The appropriate time should be documented in the medical record when it is used as the basis for code selection.

Face-to-face time (outpatient consultations [99241, 99242, 99243, 99244, 99245], domiciliary, rest home, or custodial services [99324, 99325, 99326, 99327, 99328, 99334, 99335, 99336, 99337], home services [99341, 99342, 99343, 99344, 99345, 99347, 99348, 99349, 99350], cognitive assessment and care plan services [99483]): For coding purposes, face-to-face time for these services is defined as only that time spent face-to-face with the patient and/or family. This includes the time spent performing such tasks as obtaining a history, examination, and counseling the patient.

Unit/floor time (hospital observation services [99218, 99219, 99220, 99224, 99225, 99226, 99234, 99235, 99236], hospital inpatient services [99221, 99222, 99223, 99231, 99232, 99233], inpatient consultations [99521, 99522, 99523, 99524, 99525],

nursing facility services [99304, 99305, 99306, 99307, 99308, 99309, 99310, 99315, 99316, 99318]): For coding purposes, time for these services is defined as unit/floor time, which includes the time present on the patient's hospital unit and at the bedside rendering services for that patient. This includes the time to establish and/or review the patient's chart, examine the patient, write notes, and communicate with other professionals and the patient's family.

Total time on the date of the encounter (office or other outpatient services [99202, 99203, 99204, 99205, 99212, 99213, 99214, 99215]): For coding purposes, time for these services is the total time on the date of the encounter. It includes both the face-to-face and non-face-to-face time personally spent by the physician on the day of the encounter (includes time in activities that require the physician and does not include time in activities normally performed by clinical staff.

Physician time includes the following activities when performed:

- Preparing to see the patient (e.g., review of tests)
- Obtaining and/or reviewing separately obtained history
- Performing a medical examination and/or evaluation
- Counseling and educating the patient/family/caregiver
- Ordering medications, tests, or procedures
- Referring and communicating with other health care professionals (when not separately reported)
- Documenting clinical information in the electronic or other health record
- Independently interpreting results (not separately reported) and communicating results to the patient/family/caregiver
- Care coordination (not separately reported)

Do not count time spent on the following:

- The performance of other services that are reported separately
- Travel
- Teaching that is general and not limited to discussion that is required for the management of a specific patient
- Concurrent Care and Transfer of Care: Concurrent care is the provision of similar services (e.g., hospital visits) to the same patient by more than one physician on the same day. When concurrent care is provided, no special reporting is required. Transfer of care is the process whereby a physician who is providing management for some or all of a patient's problems relinquishes this responsibility to another physician who explicitly agrees to accept this responsibility and who, from the initial encounter, is not providing consultative services. The physician transferring care is then no longer providing care for these problems though he or she may continue providing care for other conditions when appropriate. Consultation codes should not be reported by the physician who has agreed to accept transfer of care before an initial evaluation but are appropriate to report if the decision to accept transfer of care cannot be made until after the initial consultation evaluation, regardless of site of service.

- **Counseling:** Counseling is a discussion with a patient and/or family concerning one or more of the following areas:
  - Diagnostic results, impressions, and/or recommended diagnostic studies;
  - Prognosis;
  - Risks and benefits of management (treatment) options;
  - Instructions for management (treatment) and/or follow-up;
  - Importance of compliance with chosen management (treatment) options;
  - Risk factor reduction; and
  - Patient and family education.
 (For psychotherapy, see 90832-90834, 90836-90840)
- **Services Reported Separately:** Any specifically identifiable procedure or service (i.e., identified with a specific CPT code) performed on the date of E/M services may be reported separately.

The ordering and actual performance and/or interpretation of diagnostic tests/studies during a patient encounter are not included in determining the levels of E/M services when the professional interpretation of those tests/studies is reported separately by the physician reporting the E/M service. Tests that do not require separate interpretation (e.g., tests that are results only) and are analyzed as part of MDM do not count as an independent interpretation, but may be counted as ordered or reviewed for selecting an MDM level. Physician performance of diagnostic tests/studies for which specific CPT codes are available may be reported separately, in addition to the appropriate E/M code. The physician's interpretation of the results of diagnostic tests/studies (i.e., professional component) with preparation of a separate distinctly identifiable signed written report may also be reported separately, using the appropriate CPT code, and, if required, with modifier 26 appended. If a test/study is independently interpreted in order to manage the patient as part of the E/M service, but is not separately reported, it is part of the MDM.

The physician may need to indicate that on the day a procedure or service identified by a CPT code was performed, the patient's condition required a significant separately identifiable E/M service. The E/M service may be caused or prompted by the symptoms or conditions for which the procedure and/or service was provided. This circumstance may be reported by adding modifier 25 to the appropriate level of E/M service. As such, different diagnoses are not required for reporting of the procedure and the E/M services on the same day.

#### **D. GUIDELINES FOR HOSPITAL OBSERVATION, HOSPITAL INPATIENT, CONSULTATIONS, EMERGENCY DEPARTMENT, NURSING FACILITY, DOMICILIARY REST HOME, OR CUSTODIAL CARE, AND HOME E/M SERVICES.**

- The descriptors for the levels of E/M services recognize seven components, six of which are used in defining the levels of E/M services. These components are:

- History;
- Examination;
- Medical decision making;
- Counseling;
- Coordination of care;
- Nature of presenting problem;
- Time.

The first three of these components (history, examination, and medical decision making) are considered the **key** components in selecting a level of E/M services. (See “Determine the Extent of History Obtained.”)

The next three components (counseling, coordination of care, and the nature of the presenting problem) are considered **contributory** factors in the majority of encounters. Although the first two of these contributory factors are important E/M services, it is not required that these services be provided at every patient encounter.

Coordination of care with other physicians, other health care professionals, or agencies without a patient encounter on that day is reported using the case management codes.

The final component, time, is discussed in detail in section C.

- **Chief Complaint:** A chief complaint is a concise statement describing the symptom, problem, condition, diagnosis, or other factor that is the reason for the encounter, usually stated in the patient’s words.
- **History of Present Illness:** A chronological description of the development of the patient’s present illness from the first sign and/or symptom to the present. This includes a description of location, quality, severity, timing, context, modifying factors, and associated signs and symptoms significantly related to the presenting problem(s).
- **Nature of Presenting Problem:** A presenting problem is a disease, condition, illness, injury, symptom, sign, finding, complaint, or other reason for encounter, with or without a diagnosis being established at the time of the encounter. The E/M codes recognize five types of presenting problems that are defined as follows:

**Minimal** - A problem that may not require the presence of the physician, but service is provided under the physician’s supervision.

**Self-limited or Minor** - A problem that runs a definite and prescribed course, is transient in nature, and is not likely to permanently alter health status.

**Low severity** - A problem where the risk of morbidity without treatment is low; there is little to no risk of mortality without treatment; full recovery without functional impairment is expected.

Moderate severity - A problem where the risk of morbidity without treatment is moderate; there is moderate risk of mortality without treatment; uncertain prognosis OR increased probability of prolonged functional impairment.

High severity - A problem where the risk of morbidity without treatment is high to extreme; there is a moderate to high risk of mortality without treatment OR high probability of severe, prolonged functional impairment.

- Past History: A review of the patient's past experiences with illnesses, injuries, and treatments that includes significant information about:
  - Prior major illnesses and injuries;
  - Prior operations;
  - Prior hospitalizations;
  - Current medications;
  - Allergies (e.g., drug, food);
  - Age appropriate immunization status;
  - Age appropriate feeding/dietary status.
  
- Family History: A review of medical events in the patient's family that includes significant information about:
  - The health status or cause of death of parents, siblings and children;
  - Specific diseases related to problems identified in the Chief Complaint or History of the Present Illness, and/or System Review;
  - Diseases of family members which may be hereditary or place the patient at risk.
  
- Social History: An age appropriate review of past and current activities that includes significant information about:
  - Marital status and/or living arrangements;
  - Current employment;
  - Occupational history;
  - Military history;
  - Use of drugs, alcohol, and tobacco;
  - Level of education;
  - Sexual history;
  - Other relevant social factors.
  
- System Review (Review of Systems): An inventory of body systems obtained through a series of questions seeking to identify signs and/or symptoms that the patient may be experiencing or has experienced. For the purposes of CPT<sup>®</sup>, the following elements of a system review have been identified:
  - Constitutional symptoms (fever, weight loss, etc.);
  - Eyes;
  - Ears, nose, mouth, throat;
  - Cardiovascular;

- Respiratory;
- Gastrointestinal;
- Genitourinary;
- Musculoskeletal;
- Integumentary (skin and/or breast);
- Neurological;
- Psychiatric;
- Endocrine;
- Hematologic/Lymphatic;
- Allergic/Immunologic.

The review of systems helps define the problem, clarify the differential diagnosis, identify needed testing, or serves as baseline data on other systems that might be affected by any possible management options.

**E. INSTRUCTIONS FOR SELECTING A LEVEL OF E/M SERVICE FOR HOSPITAL OBSERVATION, HOSPITAL INPATIENT, CONSULTATIONS, EMERGENCY DEPARTMENT, NURSING FACILITY, DOMICILIARY REST HOME, OR CUSTODIAL CARE, AND HOME E/M SERVICES.**

- Review the Level of E/M Service Descriptors and Examples in the Selected Category or Subcategory: The descriptors for the levels of E/M services recognize seven components, six of which are used in defining the levels of E/M services. These components are:
  - History;
  - Examination;
  - Medical decision making;
  - Counseling;
  - Coordination of care;
  - Nature of presenting problem;
  - Time.

The first three components (i.e., history, examination, and medical decision making) should be considered the **key** components in selecting the level of E/M services. An exception to this rule is in the case of visits that consist predominately of counseling or coordination of care.

The nature of the presenting problem and time are provided in some levels to assist the physician in determining the appropriate level of E/M service.

- Determine the Extent of History Obtained: The extent of the history is dependent upon clinical judgment and on the nature of the presenting problem(s). The levels of E/M services recognize four types of history that are defined as follows:

Problem Focused - Chief complaint; brief history of present illness or problem.

Expanded Problem Focused - Chief complaint; brief history of present illness; problem pertinent system review.

Detailed - Chief complaint; extended history of present illness; problem pertinent system review extended to include a review of a limited number of additional systems; pertinent past, family, and/or social history directly related to the patient's problems.

Comprehensive - Chief complaint; extended history of present illness; review of systems that is directly related to the problem(s) identified in the history of the present illness plus a review of all additional body systems; complete past, family, and social history.

The comprehensive history obtained as part of the preventive medicine E/M service is not problem-oriented and does not involve a chief complaint or present illness. It does, however, include a comprehensive system review and comprehensive or interval past, family, and social history as well as a comprehensive assessment/history of pertinent risk factors.

- Determine the Extent of Examination Performed: The extent of the examination performed is dependent on clinical judgment and on the nature of the presenting problem(s). The levels of E/M services recognize four types of examination that are defined as follows:

Problem Focused - A limited examination of the affected body area or organ system.

Expanded Problem Focused - A limited examination of the affected body area or organ system and other symptomatic or related organ system(s).

Detailed - An extended examination of the affected body area(s) and other symptomatic or related organ system(s).

Comprehensive - A general multisystem examination or a complete examination of a single organ system. Note: The comprehensive examination performed as part of the preventive medicine E/M service is multisystem, but its extent is based on age and risk factors identified.

For the purposes of these CPT<sup>®</sup> definitions, the following body areas are recognized:

- Head, including the face;
- Neck;
- Chest, including breasts and axilla;
- Abdomen;
- Genitalia, groin, buttocks;
- Back;
- Each extremity;

For the purposes of these CPT® definitions, the following organ systems are recognized:

- Eyes;
  - Ears, nose, mouth, and throat;
  - Cardiovascular;
  - Respiratory;
  - Gastrointestinal;
  - Genitourinary;
  - Musculoskeletal;
  - Skin;
  - Neurologic;
  - Psychiatric;
  - Hematologic/Lymphatic/Immunologic.
- Determine the Complexity of Medical Decision Making:

Medical decision making refers to the complexity of establishing a diagnosis and/or selecting a management option as measured by:

- The number of possible diagnoses and/or the number of management options that must be considered;
- The amount and/or complexity of medical records, diagnostic tests, and/or other information that must be obtained, reviewed and analyzed; and
- The risk of significant complications, morbidity, and/or mortality, as well as comorbidities, associated with the patient’s presenting problem(s), the diagnostic procedure(s) and/or the possible management options.

Four types of medical decision making are recognized: straightforward; low complexity; moderate complexity; and high complexity. To qualify for a given type of decision making, two of the three elements in Table 1, Complexity of Medical Decision Making, must be met or exceeded.

**Table 1 – Complexity of Medical Decision Making**

<b>Number of Diagnoses or Management Options</b>	<b>Amount and/or Complexity of Data to be Reviewed</b>	<b>Risk of Complications and/or Morbidity or Mortality</b>	<b>Type of Decision Making</b>
Minimal	Minimal or none	Minimal	Straightforward
Limited	Limited	Low	Low complexity
Multiple	Moderate	Moderate	Moderate complexity
Extensive	Extensive	High	High complexity

Comorbidities/underlying diseases, in and of themselves, are not considered in selecting a level of E/M services unless their presence significantly increases the complexity of the medical decision making.

- Select the Appropriate Level of E/M Services Based on the Following:
  1. For the following categories/subcategories, **all of the key components** i.e., history, examination, and medical decision making, must meet or exceed the stated requirements to qualify for a particular level of E/M service: initial observation care; initial hospital care; observation or inpatient hospital care (including admission and discharge services); office or other outpatient consultations, inpatient consultations; emergency department services; initial nursing facility care; other nursing facility services; domiciliary care, new patient; and home services, new patient.
  2. For the following categories/subcategories, **two of the three key components** (i.e., history, examination, and medical decision making) must meet or exceed the stated requirements to qualify for a particular level of E/M services: subsequent observation care; subsequent hospital care; subsequent nursing facility care; domiciliary care, established patient; and home services, established patient.
  3. When counseling and/or coordination of care dominates (more than 50%) the encounter with the patient and/or family (face-to-face time in the office or other outpatient setting or floor/unit time in the hospital or nursing facility), then **time** shall be considered the key or controlling factor to qualify for a particular level of E/M services. This includes time spent with parties who have assumed responsibility for the care of the patient or decision making whether or not they are family members (e.g., foster parents, person acting in loco parentis, legal guardian). The extent of counseling and/or coordination of care must be documented in the medical record.

#### F. GUIDELINES FOR OFFICE OR OTHER OUTPATIENT E/M SERVICES.

- History and/or Examination: Office or other outpatient services include a medically appropriate history and/or physical examination, when performed. The nature and extent of the history and/or physical examination are determined by the treating physician reporting the service. The care team may collect information and the patient or caregiver may supply information directly (e.g., by electronic health record [EHR] portal or questionnaire) that is reviewed by the reporting physician. The extent of history and physical examination is not an element in the selection of the office or other outpatient codes.
- Number and Complexity of Problems Addressed at the Encounter: One element used in selecting the level of office or other outpatient services is the number and complexity of the problems that are addressed at an encounter. Multiple new or established conditions may be addressed at the same time and may affect MDM. Symptoms may cluster around a specific diagnosis and each symptom is not necessarily a unique

condition. Comorbidities/underlying diseases, in and of themselves, are not considered in selecting a level of E/M services **unless** they are addressed, and their presence increases the amount and/or complexity of data to be reviewed and analyzed or the risk of complications and/or morbidity or mortality of patient management. The final diagnosis for a condition does not, in and of itself, determine the complexity or risk, as extensive evaluation may be required to reach the conclusion that the signs or symptoms do not represent a highly morbid condition. Therefore, presenting symptoms that are unlikely to represent a highly morbid condition may “drive” MDM even when the ultimate diagnosis is not highly morbid. The evaluation and/or treatment should be consistent with the likely nature of the condition. Multiple problems of a lower severity may, in the aggregate, create higher risk due to interaction.

The term “risk” as used in these definitions relates to risk from the condition. While condition risk and management risk may often correlate, the risk from the condition is distinct from the risk of management.

Definitions for the elements of MDM (see Table 2, Levels of Medical Decision Making) for other office or other outpatient services are:

Problem: A problem is a disease, condition, illness, injury, symptom, sign, finding, complaint, or other matter addressed at the encounter, with or without a diagnosis being established at the time of the encounter.

Problem addressed: A problem is addressed or managed when it is evaluated or treated at the encounter by the physician reporting the service. This includes consideration of further testing or treatment that may not be elected by virtue of risk/benefit analysis or patient/parent/guardian/surrogate choice. Notation in the patient’s medical record that another professional is managing the problem without additional assessment or care coordination documented does not qualify as being addressed or managed by the physician reporting the service. Referral without evaluation (by history, examination, or diagnostic study[ies]) or consideration of treatment does not qualify as being addressed or managed by the physician reporting the service.

Minimal problem: A problem that may not require the presence of the physician, but the service is provided under the physician’s supervision (see 99211).

Self-limiting or minor problem: A problem that runs a definite and prescribed course, is transient in nature, and is not likely to permanently alter health status.

Stable, chronic illness: A problem with an expected duration of at least one year or until the death of the patient. For the purpose of defining chronicity, conditions are treated as chronic whether or not stage or severity changes (e.g., uncontrolled diabetes and controlled diabetes are a single chronic condition). “Stable” for the purposes of categorizing MDM is defined by the specific treatment goals for an individual patient. A patient who is not at his or her treatment goal is not stable, even if the condition has not changed and there is no short-term threat to life or function. For example, in a patient with persistently poorly controlled blood pressure for whom better control is a

goal is not stable, even if the pressures are not changing and the patient is asymptomatic, the risk of morbidity **without** treatment is significant. Examples may include well-controlled hypertension, non-insulin-dependent diabetes, cataract, or benign prostatic hyperplasia.

Acute, uncomplicated illness or injury: A recent or new short-term problem with low risk of morbidity for which treatment is considered. There is little to no risk of mortality with treatment, and full recovery without functional impairment is expected. A problem that is normally self-limited or minor but is not resolving consistent with a definite and prescribed course is an acute, uncomplicated illness. Examples may include cystitis, allergic rhinitis, or a simple sprain.

Chronic illness with exacerbation, progression, or side effects of treatment: A chronic illness that is acutely worsening, poorly controlled, or progressing with an intent to control progression and requiring additional supportive care or requiring attention to treatment for side effects but that does not require consideration of hospital level of care.

Undiagnosed new problem with uncertain prognosis: A problem in the differential diagnosis that represents a condition likely to result in a high risk of morbidity without treatment. An example may be a lump in the breast.

Acute illness with systemic symptoms: An illness that causes systemic symptoms and has a high risk of morbidity without treatment. For systemic general symptoms, such as fever, body aches, or fatigue in a minor illness that may be treated to alleviate symptoms, shorten the course of illness, or to prevent complications, see the definitions for *self-limited or minor problem* or *acute, uncomplicated illness or injury*. Systemic symptoms may not be general but may be single system. Examples may include pyelonephritis, pneumonitis, or colitis.

Acute, complicated injury: An injury which requires treatment that includes evaluation of body systems that are not directly part of the injured organ, the injury is extensive, or the treatment options are multiple and/or associated with a risk of morbidity. An example may be a head injury with brief loss of consciousness.

Chronic illness with severe exacerbation, progression, or side effects of treatment: The severe exacerbation or progression of a chronic illness or severe side effects of treatment that have significant risk of morbidity and may require hospital level of care.

Acute or chronic illness or injury that poses a threat to life or bodily function: An acute illness with systemic symptoms, and acute complicated injury, or a chronic illness or injury with exacerbation and/or progression or side effects of treatment, that poses a threat to life or bodily function in the near term without treatment. Examples may include myocardial infarction, pulmonary embolus, severe respiratory distress, progressive severe rheumatoid arthritis, psychiatric illness with potential threat to self or others, peritonitis, acute renal failure, or an abrupt change in neurologic status.

Analyzed: the process of using the data as part of the MDM. The data element itself may not be subject to analysis (e.g., glucose), but it is instead included in the thought processes for diagnosis, evaluation, or treatment. Tests ordered are presumed to be analyzed when the results are reported. Therefore, when they are ordered during an encounter, they are counted in that encounter. Tests that are ordered outside of an encounter may be counted in the encounter in which they are analyzed. In the case of a recurring order, each new result may be counted in the encounter in which it is analyzed. For example, an encounter that includes an order for monthly prothrombin times would count for one prothrombin time ordered and reviewed. Additional future results, if analyzed in a subsequent encounter, may be counted as a single test in that subsequent encounter. Any service for which the professional component is separately reported by the physician reporting the E/M services is not counted as a data element ordered, reviewed, analyzed, or independently interpreted for the purposes of determining the level of MDM.

Test: Tests are imaging, laboratory, psychometric, or physiologic data. A clinical laboratory panel (e.g., basic metabolic panel [80047]) is a single test. The differentiation between single or multiple tests is defined in accordance with the CPT<sup>®</sup> code set. For the purposes of data reviewed and analyzed, pulse oximetry is not a test.

Unique: A unique test is defined by the CPT<sup>®</sup> code set. When multiple results of the same unique test (e.g., serial blood glucose values) are compared during an E/M service, count it as one unique test. Tests that have overlapping elements are not unique, even if they are identified with distinct CPT<sup>®</sup> codes. For example, a CBC with differential would incorporate the set of hemoglobin, CBC, without differential, and platelet count. A unique source is defined as a physician in a distinct group or different specialty or subspecialty, or a unique entity. Review of all the materials from any unique source counts as one element toward MDM.

Combination of Data Elements: A combination of different data elements, for example, a combination of notes reviewed, tests ordered, tests reviewed, or independent historian, allows these elements to be summed. It does not require each item type or category to be represented. A unique test ordered, plus a note reviewed and an independent historian would be a combination of three elements.

External: External records, communications and/or test results are from an external physician, other qualified health care professional, facility, or health care organization.

External physician or other qualified health care professional: An external physician or other qualified health care professional who is not in the same group practice or is of a different specialty or subspecialty. This includes licensed professionals who are practicing independently. The individual may also be a facility or organizational provider such as from a hospital, nursing facility, or home health care agency.

Discussion: Discussion requires an interactive exchange. The exchange must be direct and not through intermediaries (e.g., clinical staff or trainees). Sending chart notes or written exchanges that are within progress notes does not qualify as an interactive

exchange. The discussion does not need to be on the date of the encounter, but it is counted only once and only when it is used in the decision making of the encounter. It may be synchronous (i.e., does not need to be in person), but it must be initiated and completed within a short time period (e.g., within a day or two).

Independent historian(s): An individual (e.g., parent, guardian, surrogate, spouse, witness) who provides a history in addition to a history provided by the patient who is unable to provide a complete or reliable history (e.g., due to developmental stage, dementia, or psychosis) or because a confirmatory history is judged to be necessary. In the case where there may be conflict or poor communication between multiple historians and more than one historian is needed, the independent historian requirement is met. The independent history does not need to be obtained in person but does need to be obtained directly from the historian providing the independent information.

Independent interpretations: The interpretation of a test for which there is a CPT® code and an interpretation or report is customary. This does not apply when the physician is reporting the service or has previously reported the service for the patient. A form of interpretation should be documented but need not conform to the usual standards of a complete report for the test.

Appropriate source: For the purpose of the discussion of management data element (see Table 2, levels of Medical Decision Making), an appropriate source includes professionals who are not health care professionals but may be involved in the management of the patient (e.g., lawyer, parole officer, case manager, teacher). It does not include discussion with family or informal caregivers.

One element used in selecting the level of service is the risk of complications and/or morbidity or mortality of patient management at an encounter. This is distinct from the risk of the condition itself.

Risk: The probability and/or consequences of an event. The assessment of the level of risk is affected by the nature of the event under consideration. For example, a low probability of death may be high risk, whereas a high chance of a minor, self-limited adverse effect of treatment may be low risk. Definitions of risk are based upon the usual behavior and thought processes of a physician in the same specialty. Trained clinicians apply common language usage meanings to terms such as *high*, *medium*, *low*, or *minimal* risk and do not require quantification for these definitions (though quantification may be provided when evidence-based medicine has established probabilities). For the purposes of MDM, level of risk is based upon consequences of the problem(s) addressed at the encounter when appropriately treated. Risk also includes MDM related to the need to initiate or forego further testing, treatment and/or hospitalization. The risk of patient management criteria applies to the patient management decisions made by the reporting physician as part of the reported encounter.

Morbidity: A state of illness or functional impairment that is expected to be of substantial duration during which function is limited, quality of life is impaired, or there is organ damage that may not be transient despite treatment.

Social determinants of health: Economic and social conditions that influence the health of people and communities. Examples may include food or housing insecurity.

Surgery (minor or major, elective, emergency, procedure or patient risk):

Surgery - Minor or Major: The classification of surgery into minor or major is based on the common meaning of such terms when used by trained clinicians, similar to the use of the term “risk”. These terms are not defined by a surgical package classification.

Surgery – Elective or Emergency: Elective procedures and emergent or urgent procedures describe the timing of the procedure when the timing is related to the patient’s condition. An elective procedure is typically planned in advance (e.g., scheduled for weeks later), while an emergent procedure is typically performed immediately or with minimal delay to allow for patient stabilization. Both elective and emergent procedures may be minor or major procedures.

Surgery – Risk Factors, Patient or Procedure: Risk factors are those that are relevant to the patient and procedure. Evidence-based risk calculators may be used, but are not required, in assessing patient and procedure risk.

Drug therapy requiring intensive monitoring for toxicity: A drug that requires intensive monitoring is a therapeutic agent that has the potential to cause serious morbidity or death. The monitoring is performed for assessment of these adverse effects and not primarily for assessment of therapeutic efficacy. The monitoring should be that which is generally accepted practice for the agent but may be patient-specific in some cases. Intensive monitoring may be long-term or short-term. Long-term intensive monitoring is not performed less than quarterly. The monitoring may be performed with a laboratory test, a physiologic test, or imaging. Monitoring by history or examination does not qualify. The monitoring affects the level of MDM in an encounter in which it is considered in the management of the patient. Examples may include monitoring for cytopenia in the use of an antineoplastic agent between dose cycles or the short-term intensive monitoring of electrolytes and renal function in a patient who is undergoing diuresis. Examples of monitoring that do not qualify include monitoring glucose levels during insulin therapy, as the primary reason is the therapeutic effect (unless severe hypoglycemia is a current, significant concern); or annual electrolytes and renal function for a patient on a diuretic, as the frequency does not meet the threshold.

## **G. INSTRUCTIONS FOR SELECTING A LEVEL OF OFFICE OR OTHER OUTPATIENT E/M SERVICES.**

- Select the Appropriate Level of E/M Services Based on the Following:

1. The level of the MDM as defined for each service, **or**
  2. The total time for E/M services performed on the date of the encounter.
- Medical Decision Making: MDM includes establishing diagnoses, assessing the status of a condition, and/or selecting a management option. MDM in the office or other outpatient services codes is defined by three elements:
    - The number and complexity of problem(s) that are addressed during the encounter.
    - The amount and/or complexity of data to be reviewed and analyzed. These data include medical records, tests, and/or other information that must be obtained, ordered, reviewed, and analyzed for the encounter. This includes information obtained from multiple sources or interprofessional communications that are not reported separately and interpretation of tests that are not reported separately. Ordering a test is included in the category of test result(s) and the review of the test result is part of the encounter and not a subsequent encounter. Ordering a test may include those considered, but not selected after shared decision making. For example, a patient may request diagnostic imaging that is not necessary for their condition and discussion of the lack of benefit may be required. Alternatively, a test may normally be performed, but due to the risk for a specific patient it is not ordered. Data are divided into three categories:
      1. Tests, documents, orders or independent historian(s). (Each unique test, order, or document is counted to meet a threshold number.)
      2. Independent interpretation of tests.
      3. Discussion of management or test interpretation with an external physician or appropriate source.
    - The risk of complications and/or morbidity or mortality of patient management decisions made at the visit, associated with the patient's problem(s), the diagnostic procedure(s), and/or treatment(s). This includes the possible management options selected and those considered but not selected, after shared MDM with the patient and/or family. For example, a decision about hospitalization includes alternative levels of care. Examples may include a psychiatric patient with a sufficient degree of support in the outpatient setting or the decision to not hospitalize a patient with advanced dementia with an acute condition that would generally warrant inpatient care, but for whom the goal is palliative treatment.

Four types of MDM are recognized: straightforward, low, moderate, and high. The concept of the level of MDM does not apply to 99211.

Shared MDM involves eliciting patient and/or family preferences, patient and/or family education, and explaining risks and benefits of management options.

MDM may be impacted by role and management responsibility.

When the physician is reporting a separate CPT® code that includes interpretation and/or report, the interpretation and/or report should not count toward the MDM when selecting a level of office or other outpatient services. When the physician is reporting a separate service for discussion of management with a physician, the discussion is not counted toward the MDM when selecting a level of office or other outpatient services.

The Levels of Medical Decision Making (MDM) table (Table 2) is a guide to assist in selecting the level of MDM for reporting an office or other outpatient E/M services code. The table includes the four levels of MDM (i.e., straightforward, low, moderate, high) and the three elements of MDM (i.e., number and complexity of problems addressed at the encounter, amount and/or complexity of data reviewed and analyzed, and risk of complications and/or morbidity or mortality of patient management). To qualify for a particular level of MDM, two of the three elements for that level of MDM must be met or exceeded. See Table 2: Levels of Medical Decision Making (MDM).

**Table 2: Levels of Medical Decision Making (MDM)**

<b>Elements of Medical Decision Making</b>				
<b>Code</b>	<b>Level of MDM</b> (Based on 2 out of 3 Elements of MDM)	<b>Number and Complexity of Problems Addressed at the Encounter</b>	<b>Amount and/or Complexity of Data to be Reviewed and Analyzed</b> <i>*Each unique test, order, or document contributes to the combination of 2 or combination of 3 in Category 1 below</i>	<b>Risk or Complications and/or Morbidity or Mortality of Patient Management</b>
99211	N/A	N/A	N/A	N/A
99202 99212	<b>Straightforward</b>	<b>Minimal</b> 1 self-limited or minor problem	<b>Minimal or more</b>	<b>Minimal risk of morbidity from additional diagnostic testing or treatment</b>
99203 99213	<b>Low</b>	<b>Low</b> 2 or more self-limited or minor problems; <b>or</b> 1 stable, chronic illness; <b>or</b> 1 acute, uncomplicated illness or injury	<b>Limited</b> <i>(Must meet the requirements of at least 1 out of the 2 categories)</i> <b>Category 1: Tests and documents</b> <b>Any Combination of 2 from the following:</b> Review of prior external note(s) from each unique source*; Review of the result(s) of each unique test*; Ordering of each unique test* <b>or</b> <b>Category 2: Assessment requiring an independent historian(s)</b> <i>(For the categories of independent interpretation of tests and discussion of management or test interpretation, see moderate or high)</i>	<b>Low risk of morbidity form additional diagnostic testing or treatment</b>

99204 99214	Moderate	<p><b>Moderate</b> 1 or more chronic illnesses with exacerbation, progression, or side effects treatment; <b>or</b> 2 or more stable, chronic illnesses; <b>or</b> 1 undiagnosed new problem with uncertain prognosis; <b>or</b> 1 acute illness with systemic symptoms; <b>or</b> 1 acute, complicated injury</p>	<p><b>Moderate</b> <i>(Must meet the requirements of at least 1 of the 3 categories)</i> <b>Category 1: Tests, Documents, or independent historian(s)</b> <b>Any combination of 3 from the following:</b> 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) <b>or</b> <b>Category 2: Independent interpretation of tests</b> Independent interpretation of a test performed by another physician (not separately reported); <b>or</b> <b>Category 3: Discussion of management or test interpretation</b> Discussion of management or test interpretation with external physician/appropriate source (not separately reported)</p>	<p><b>Moderate risk of morbidity from additional diagnostic testing or treatment</b> <i>Examples only:</i> Prescription drug management Decision regarding minor surgery with identified patient or procedure risk forms Decision regarding elective major surgery without identified patient or procedure risk factors Diagnosis or treatment significantly limited by social determinants of health</p>
99205 99215	High	<p><b>High</b> 1 or more chronic illnesses with severe exacerbation, progression, or side effects of treatment; <b>or</b> 1 acute or chronic illness or injury that poses a threat to life or bodily function</p>	<p><b>Extensive</b> <i>(Must meet the requirements of at least 2 out of the 3 categories)</i> <b>Category 1: Tests, documents, or independent historian(s)</b> <b>Any combination of 3 from the following:</b> Review of prior external notes(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) <b>or</b> <b>Category 2: Independent interpretation of tests</b> Independent interpretation of a test performed by another physician (not separately reported); <b>or</b> <b>Category 3: Discussion of management or test interpretation</b> Discussion of management or test interpretation with external physician/appropriate source (not separately reported)</p>	<p><b>High risk of morbidity from additional diagnostic testing or treatment</b> <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</p>

## **H. TIME.**

For instructions on using time to select the level of office or other outpatient E/M services code, see the *Time* subsection in Item C (*Guidelines Common to all E/M Services*).

## **I. UNLISTED SERVICE.**

An E/M service may be provided that is not listed in this section of CPT<sup>®</sup> codebook. When reporting such a service, the appropriate unlisted code may be used to indicate the service, identifying it by “Special Report,” as discussed in item J. The “Unlisted Services” and accompanying codes for the E/M section are as follows:

99429 Unlisted preventive medicine service

99499 Unlisted evaluation and management service

## **J. SPECIAL REPORT.**

An unlisted service or one that is unusual, variable, or new may require a special report demonstrating the medical appropriateness of the service. Pertinent information should include an adequate definition or description of the nature, extent, and need for the procedure and the time, effort, and equipment necessary to provide the service. Additional items that may be included are complexity of symptoms, final diagnosis, pertinent physical findings, diagnostic and therapeutic procedures, concurrent problems, and follow-up care.

## **K. CLINICAL EXAMPLES.**

Clinical examples of the codes for E/M services are provided to assist in understanding the meaning of the descriptors and selecting the correct code. The clinical examples are listed in Appendix C. (*Appendix C of the CPT<sup>®</sup> has not been reprinted in this text.*) Each example was developed by the specialties shown.

The same problem, when seen by different specialties, may involve different amounts of work. Therefore, the appropriate level of encounter should be reported using the descriptors rather than the examples.