

*Evaluation & Management
(E&M)*

**Critical Care Services &
Observation Care Services**

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Critical Care Services

- Pub. 100-04, Medicare Claims Processing Manual, Chapter 12, §30.6.12
- Related Change Request (CR) #: 5993, Implementation Date: July 7, 2008



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Critical Care Definitions

- ◆ Critical care is the care of critically ill or injured patients who require the full, exclusive attention of the physician.
- ◆ A critical illness or injury is one which acutely impairs one or more vital organ systems such that the patient's survival is jeopardized.



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Critical Care Time

- ◆ May be continuous or interrupted.
- ◆ Must be time spent directly related to the patient's care.
- ◆ May be provided at the immediate bedside or elsewhere on the floor or unit.

Critical Care Time

- ◆ Examples of services performed elsewhere (**on the floor or unit**) that may represent critical care are:
 - Time spent at the nurses' station reviewing test results;
 - Discussing the patient's care with other medical staff;
 - Documenting critical care services in the patient's medical record; or
 - Obtaining medical history and discussing treatment options with family members.

Critical Care Time

- ◆ Critical care services billed by a physician **may not include**:
 - Delegated services;
 - Time spent by residents in teaching hospitals;
 - Time spent in activities that occur outside of the unit or off the floor; or
 - Time spent in activities that do not directly contribute to the treatment of the patient.

Non-Physician Practitioners (NPP)

- ◆ The provision of critical care services must be within the scope of practice and licensure requirements for the State in which the qualified NPP practices and provides the service.
- ◆ A split/shared E&M service performed by a physician and a qualified NPP of the same group practice cannot be reported as a critical care service.

Bundled Services

- ◆ Services which are not separately payable at the same time as critical care to the physician performing critical care:
 - Interpretation of cardiac output measurements
 - Chest x-rays, professional component
 - Blood draw for specimen
 - Blood gases, and information data stored in computers
 - Gastric intubation
 - Pulse oximetry
 - Temporary transcutaneous pacing
 - Ventilator management
 - Vascular access procedures

Coding Guidelines

- ◆ **99291** – Critical care, evaluation and management of the critically ill or critically injured patient; first 30-74 minutes.
- ◆ **99292** – Each additional 30 minutes (List separately in addition to code for primary service).

Documentation Requirements

- ◆ Critical care claims should be documented by the physician's own progress notes.
- ◆ The record must document the patient's status and treatment for the entire time for which critical care services are billed.
- ◆ The record must legibly document the duration of time the physician is engaged in work directly related to the patient's care.

Service-Specific Review

- ◆ The Medical Review Department conducted a Service-Specific Review (SSR) of codes **99291-99292**.
- ◆ The SSR (initiated in September 2004 and completed in April 2005) involved a review of 200 claims chosen at random by the computer system.
- ◆ The SSR resulted in an overall error rate of 15%, with a down-coded/denial rate of 29% for services that were either correct-coded or denied.

Issues Identified

- ◆ Documentation was illegible.
- ◆ Failure to document the time spent with the patients.
- ◆ Documentation did not support the criteria for billing critical care services.

CERT Review

- ◆ Findings: Disagree per CPT and Pub. 100-04, Chapter 12, §30.6.12. These lines billed with CPT code **99292** (critical care E&M, each additional 30 min.). Submitted hospital records did not document total duration of time spent by the treating physician providing critical care services to support the additional time billed.
- ◆ Results: Funds were recouped for code **99292** for two dates of service.

Medicare Learning Network (MLN) Matters Article

- ◆ MM5792 – Payment for Inpatient Hospital Visits – General (Codes **99221 – 99239**).
 - When an E&M service is furnished on a calendar date at which time the patient does not require critical care and the patient subsequently requires critical care, both services may be paid.
 - Physicians and qualified NPPs must retain documentation for discretionary Medicare review to support why the same physician or physicians of the same specialty in a group practice submitted claims for both critical care services and other E&M for the patient on the same date of service.

Observation Care Services

- Pub. 100-04, Medicare Claims Processing Manual, Chapter 12, §30.6.8
- Pub. 100-04, Medicare Claims Processing Manual, Chapter 4, §290

Overview

- ◆ Observation care services are:
 - A well-defined set of specific services which include ongoing short term treatment, assessment, and reassessment of the patient.
 - Commonly assigned to patients who present to the emergency department who then require a significant period of treatment or monitoring before a decision is made concerning their admission or discharge.
 - Rarely reasonable and necessary for more than 48 hours.

Coverage Criteria

- ◆ Observation care services must be reasonable and necessary.
- ◆ Covered only when provided by the order of a physician or another individual authorized by State licensure law and hospital staff bylaws to admit patients to the hospital or to order outpatient services.

Coverage Criteria

- ◆ A medical observation record for the patient is required. The record must:
 - Include dated and timed physician's admitting orders, nursing notes, and progress notes; and
 - Be in addition to any record prepared as a result of an emergency department or outpatient clinic encounter.

CPT Coding

- ◆ **99234-99236 – Observation or inpatient hospital care**, for the evaluation and management of a patient including admission and discharge on the same date.
- ◆ **99218-99220 – Initial observation care**, per day, for the evaluation and management of a patient.
- ◆ **99217 – Observation care discharge day management**.

CPT Coding

Admission & Discharge Calendar Date	Number of Hours	99234-99236	99218-99220	99217
Same	Less than 8		X	
Same	More than 8 less than 24	X		
Different	Not Applicable		X	X

Note: In rare circumstances when a patient is held in observation status for more than 2 calendar days, the physician shall bill a visit from CPT code range **99211-99215** (Office or Other Outpatient Visit) furnished before the discharge date.

Admission to Inpatient Status

- ◆ If the same physician who admitted a patient to observation status also admits the patient to inpatient status from observation before the end of the date on which the patient was admitted to observation, pay only an initial hospital visit for the evaluation and management services provided on that date.

Global Surgical Period

- ◆ The global surgical fee includes payment for hospital observation. Contractors must pay for these services in addition to the global surgical fee only if both of the following requirements are met:
 - The hospital observation service meets the criteria needed to justify billing it with CPT modifiers **24**, **25**, or **57**; and
 - The hospital observation service furnished by the surgeon meets all of the criteria for the hospital observation code billed.

Documentation Requirements

- ◆ Physicians and qualified non-physician practitioners (NPPs) must:
 - Document the medical record to satisfy the E&M guidelines for admission to and discharge from observation care.
 - Meet the documentation requirements for history, examination and medical decision making.
 - Document his/her physical presence; and
 - Document his/her personal provision of observation care.

Documentation Requirements

- ◆ For reporting CPT codes **99234-99236**, the medical record must include:
 - Documentation stating the stay for hospital treatment or observation care status involves 8 hours but less than 24 hours;
 - Documentation identifying the billing physician was present and personally performed the services; and
 - Documentation identifying the admission and discharge notes were written by the billing physician.

Service-Specific Review

- ◆ The Medical Review Department conducted a Service-Specific Review (SSR) of codes **99234-99236**.
- ◆ The SSR (initiated in March 2007 and completed in October 2007) involved a review of 100 claims chosen at random by the computer system.
- ◆ The SSR resulted in an overall error rate of 82%, with a down-coded/denial rate of 84% for services that were either correct-coded or denied.

Issues Identified

- ◆ Documentation did not support the criteria for observation.
- ◆ Documentation did not support a same day admission/discharge to/from observation or inpatient hospital care.
- ◆ Documentation was illegible or not provided.
- ◆ Documentation did not support the level of E&M service billed.

Example

- ◆ Provider billed **99235 – Observation or inpatient hospital care**, for the evaluation and management of a patient including admission and discharge on the same date, which requires these 3 key components:
 - A comprehensive history;
 - A comprehensive examination; and
 - Medical decision making of moderate complexity.

Example

- ◆ The documentation submitted **did not include**:
 - A physician's order for observation services;
 - An admitting observation patient note by the physician overseeing the patient while in observation;
 - Periodic assessments by this same physician;
 - A timeline indicating the beginning and ending of observation; nor a
 - Physician's order for discharge from observation or admission to inpatient hospital.
- ◆ Result: CPT code **99235** was denied and payment was recouped.

MLN Matters Articles

- ◆ MM5791 – Payment for Hospital Observation Services (Codes 99217 – 99220) and Observation or Inpatient Care Services (Including Admission and Discharge Services – Codes 99234 – 99236)
- ◆ MM5793 – Payment for Initial Hospital Care Services (Codes 99221 – 99223) and Observation or Inpatient Care Services (Including Admission and Discharge Services) (Codes 99234 – 99236)
- ◆ MM5794 – Subsequent Hospital Visits and Hospital Discharge Day Management Services (Codes 99231 – 99239)

Discussion Points

- ◆ General principles of medical record documentation
- ◆ Key components of the CPT code
- ◆ A proactive approach

Disclaimer

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