Nov. 15, 2018: Advocacy spotlight on CMS moves on E/M: 3 things physicians should know

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There were major victories for physicians in the 2019 Medicare physician fee schedule final rule, particularly when it comes to payment for evaluation-and-management (E/M) services. But with the document running nearly 2,400 pages, it could be difficult to sort them out. So here are three things physicians need to know about next year’s fee schedule from the Centers for Medicare & Medicaid Services (CMS).

1. CMS has postponed the E/M coding "collapse" for at least two years. CMS will postpone its proposal to collapse payment rates for four E/M office visit services into a single blended rate. The AMA advised CMS that the proposal could create unintended consequences for specialties that treat the sickest patients and for physicians who provide comprehensive primary care. In revising E/M payments, CMS also announced it would take into consideration the recommendations of the AMA-convened Current Procedural Terminology (CPT®)/Relative Value Scale Update Committee (RUC) Workgroup. The group has already held five conference calls and one in-person meeting.

More than 200 individuals have participated in each meeting, including CMS staff, medical officers and contractors.

The workgroup has used a formal survey mechanism to solicited feedback throughout the process to ensure that maximum input is acquired to achieve consensus. More than 60 national specialty societies have responded to these surveys.

"The panel members have deep expertise in defining and valuing codes, and as members of various specialties, they all use the office visit codes to describe and bill for services provided to Medicare patients," said AMA President Barbara L. McAneny, MD. "The group is analyzing these issues and plans to offer solutions to be provided to CMS for future implementation."

The workgroup is also working to build consensus around modernizing the office and outpatient E/M CPT codes to simplify the documentation requirements and better focus code selection around medical decision-making and physician time. "The two-year delay in implementation will provide the
opportunity for us to respond to the work done by the AMA and the CPT Editorial Panel, as well as other stakeholders," CMS said in the final rule. "We will consider any changes that are made to CPT coding for E/M services, and recommendations regarding appropriate valuation of new or revised codes, through our annual rulemaking process."

2. Proposed same-day-service pay cut will not be implemented. CMS has dropped its proposal to chop in half payments for office visits that occur on the same day as a procedure furnished by the same physician or another physician in the same practice. Also dropped from consideration is a proposal to create a new indirect practice expense category for office visits. This proposal would have resulted in large changes in payments for some specialties—including a greater than 10 percent pay cut for chemotherapy services.

3. New documentation rules cut physician administrative burden. CMS followed suggestions provided by the AMA and some 170 other medical groups in a letter sent to CMS Administrator Seema Verma. Specifically, physicians will not have to redocument elements of a patient's medical history and physical exam. Instead, documentation will focus on patients' medical history during the interval since the previous visit. Also gone is a requirement that physicians redocument information recorded by their staff or by the patient. In addition, a requirement to document the medical necessity of furnishing a home visit rather than an office visit has been eliminated.

"With physicians facing excessive documentation requirements in their practices, it is a relief to see that the administration not only understands the problem of regulatory burden but is taking concrete steps to address it," Dr. McAneny said. "Patients are likely to see the effect as their physicians will have more time to spend with them and be able to more quickly locate relevant information in medical records."

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