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Choosing the Right E & M Codes

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Q: A patient presented with typical lower back pain following an overexertion episode when lifting a box. On the basis of this presenting complaint and after examination, the patient was diagnosed with lumbar strain and sprain, but I was required to spend about an hour and 10 minutes on an examination with this new patient, due to a lengthy history not just of this episode, but of two similar past injuries within the last 18 months. Further, the patient is diabetic, overweight and hypertensive, which complicates the history, and creates several co-morbidities. I would typically use 99203 for the level of exam, considering the diagnosis, but considering the time spent, would it be appropriate to bill a higher E & M code like 99205, or some other code (or codes) to account for my time?

A: I understand your dilemma, as you wish to be compensated for the added time needed with this patient, but you are concerned that a higher code may not be suitable. While time is one of the seven component factors in the choice of level of E & M service, it's not used to define the level of E & M service as do the other six. In fact, if time alone is used to determine the level, it can lead to two types of errors in coding and reimbursement. One is upcoding, which can be considered fraud or abuse, as it defines that a code for a higher level of service was used for a lesser service. The other issue, though not fraud or abuse, is that codes are available for use with E & M services to indicate when additional time is needed beyond the typical time associated with the E & M service. Respectively, these codes reimburse at a level commensurate with the added time required. Simply put, understanding the coding rules can ensure not only correct coding, but potentially higher reimbursement. To understand what must be done, the components of the E & M service must be understood.

The six factors of choice for E & M codes are as follows, with the first three considered key components and the last three contributory for selecting the level:

1. history;
2. examination;
3. medical decision-making;
4. counseling;
5. coordination of care;
6. nature of presenting problem

Looking at these components, it can readily be observed that the severity of the condition would be the best indicator of the level of service utilized. As defined in the *CPT 2006 Edition*, the two highest levels of E & M services require a risk of morbidity without treatment, or a prolonged or severe functional impairment or disability from the condition. With these requirements, it can clearly be seen that for a patient with the problem presented in your question, the two highest levels (99204 or 99205) would not be correct. However, time was a factor, and was necessary based on the prolonged and complicated history with the comorbidities present. Therefore the most appropriate E & M code would be, as you noted, the mid-level 99203 (consistent with this severity), but for added time spent, code 99354, prolonged physician service, would be added.

Code 99354 describes when a physician provides prolonged service involving direct (face-to-face) patient contact beyond the usual E & M service. It does require a minimum of 30 extra minutes be spent in addition to the time associated with the E & M code. In your case, 99203 is for 30 minutes; the additional 40 minutes (one hour and 10 minutes total) spent would coded with 99354. When billing 99354, it must be used in addition to an E & M service and cannot stand alone. Further, 99354 requires no modifier. Fees for 99354 can range from a low of $110 to $245 for general health insurance and personal-injury claims. Specifically, 99354 is for the first 30 minutes to 74 minutes beyond the E&M service, while 99355 would be added for time above 75 minutes to 104 minutes and in multiples thereafter for each segment of additional periods of 30 minutes. If less than 30 additional minutes are spent, 99354 cannot be used.

If you were to use codes to 99204 or 99205, it would not only be upcoding, but would considerably lessen the reimbursement you are entitled to. To close, I must emphasize that the use of this code, while not uncommon, is not typical and should not be used if you routinely spend more than one hour with all patients. The use of that time level is likely one of style and personal preference, not of specific medical necessity. In my experience, only five percent of new patient exams might qualify for the use of a prolonged service code. Be assured that claims using these codes are more prone to requests for documentation; as such, be mindful that the documentation must not only indicate the time spent face-to-face, but also should include a fair amount of notes and other details commensurate with the time indicated. Please refer to your CPT code book for full details on the prolonged service codes.

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