



ESSENT HEALTHCARE, INC.

Section: Corporate Compliance	Effective Date: 03/01/06
Subject: Assignment of Clinic Visit Levels	Revision Date: 03/01/06
Policy #: CC-21-A	Review Date: 11/19/09
Responsible Party: Corporate Compliance Officer	Revision #: 1

Scope:

This policy applies to all facilities of Essent Healthcare, Inc. (“Essent”).

Purpose:

The purpose of this policy is to set guidelines for the assignment of Evaluation and Management Codes (visit levels) in the various “Clinics” that are operated by Essent. For purposes of this policy, clinics are those departments that bill for Evaluation & Management services using CPT codes 99201-99205 and 99211-99215.

Policy:

It is the policy of Essent to appropriately match resource consumption with billed “visit levels” in the clinics. Each facility is responsible for mapping the CPT codes for clinic visits to its services. The Corporate Compliance Officer will monitor the distribution of visit levels on a quarterly basis and perform periodic audits to ensure compliance.

Procedures:

1. Coding guidelines for clinic visits should be based on hospital resource consumption, not physician resource consumption (as is the current CPT model). Guidelines should be tied to actual resource consumption in the clinic such as number and type of staff interventions, staff time, clinical examples, or patient acuity.
2. Coding guidelines should be clear, facilitate accurate charging and payment, be usable (reproducible) for compliance auditing purposes, and meet HIPAA requirements.
3. Coding guidelines should only require documentation that is clinically necessary for patient care. Preferably, coding guidelines should be based on current hospital documentation requirements.
4. Coding guidelines should not facilitate upcoding or gaming.
5. Coding guidelines should result in a normal distribution (bell-shaped curve) of E/M levels.
6. Coding guidelines should NOT allow counting of any separately payable services (IV infusion, x-ray, EKG, lab tests, etc.). Coding guidelines should only include services that are not



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otherwise separately payable.

- Coding guidelines should be appropriate for the types of services provided in the hospital and must also clearly differentiate the relative resource consumption for each level of service so that a medical reviewer can easily infer the type, complexity, and medical necessity of the services provided and validate the level of service reported.
- Level 1 visits (CPT 99201 or 99211) should be used to reflect basic services such as registration, initial nursing assessment, exam room set-up and/or clean-up. Level 1 should also be used for patients who leave the clinic after they have been checked in/registered but before they are seen by the physician.

References:

OPPS final rule FR 04/07/00

OPPS final rule FR 11/07/03

OPPS final rule FR 11/15/04

OPPS final rule FR 11/10/05

AMA/AHIMA “*Recommendation for Standardized Hospital E/M Coding...*”