Coding for Medicare consultations

Marc R. Nuwer, MD, PhD
Mary McDermott, MBA, CPC

Neurology® Clinical Practice
2010;75(Suppl 1):S56–S59

Medicare and some other carriers no longer allow use of the Consult code families. The government made this change to address problems in use of the Consult codes. Other existing codes are to be used in their place. The crosswalk to the other codes is complicated. Prolonged Services codes should be added in some cases. Neurologists need to understand these new rules to be able to code properly for patient care. An overview of rules and a coding crosswalk table are presented here.

Since January 2010, the federal Center for Medicare and Medicaid Services (CMS) has disallowed use of the Consultation evaluation and management (E/M) codes for Medicare patients.1 This has caused great difficulty for US neurologists. It involves both coding and income problems. This article discusses the coding problems and provides examples of how to use the new coding process.

WHAT HAPPENED AND WHY CMS responded to problems using the Consult codes. Too often physicians failed to follow all of CMS’s required rules for Consult codes. CMS reasoned that many services coded as Consult should not have been coded as consultations; rather they were new or established patient services. An Office of the Inspector General survey found that 75% of services coded as consults did not meet all of CMS’s rules for consultation services.2

This coding rule now has spread beyond Medicare. Many contracts with managed care organizations and health insurance carriers specify the use of Medicare guidelines and payment schedule, usually with a different conversion factor for payment rates. Many of these contracts followed Medicare into disallowing the consultation codes. Medicaid is expected to follow this rule in the near future. The no consult code rule now applies to a sizable fraction of a neurologist’s practice case mix.

At the same time, CMS increased payments for the new and established patient codes. In their plans, discontinuing use of the Consult codes should be budget neutral. What savings occurred due to use of lower-paying codes should be balanced by increasing the payment for those lower codes. They published their projected crosswalk from Consults to other codes and their budgetary assumptions to keep the system budget neutral.3,4 CMS increased the office and inpatient code payments by 4%–6%.

A neurologist will end up with increased Medicare income when his or her practice is mainly established office patients and few consultations. Those neurologists who provide mostly consultations will see Medicare payments fall.

The American Academy of Neurology opposed this change, as did most medical associations. Nevertheless, CMS implemented the new rule in January 2010.

From the Department of Neurology (M.R.N.), David Geffen School of Medicine at UCLA, Los Angeles, CA; and Office of Billing Quality Assurance (M.M.), Johns Hopkins University School of Medicine, Baltimore, MD.

Disclosure: Author disclosures are provided at the end of the article.
NEW CODING RULES Traditionally a consultation is a request by a referring physician for an opinion from the consulting physician. There are 2 broad groups of Current Procedural Terminology E/M services, one for inpatients and another for outpatients. In place of the Consult codes, CMS directs physicians to crosswalk the service to Office New, Office Established, and Initial Hospital Care families of codes. A new office visit is distinguished from an established office visit by whether face-to-face services occurred in the past 3 years. E/M is face-to-face and so is EMG. EEG is not face-to-face; reading an EEG does not make the patient established to the practice.

A new office visit is distinguished from an established office visit by whether face-to-face services occurred in the past 3 years.

Taxonomy rule and practice group. Identifying who has been seen in the practice for a face-to-face service in the past 3 years can be complex and onerous. The 3-year rule applies only to services provided by physicians from the same practice group and the same taxonomic specialty. Officially in this formal taxonomy scheme, child neurology is separate from neurology. There are separate taxonomic codes for clinical neurophysiology, pain medicine, and neuromuscular medicine. Which applies to which physician depends on the primary specialty listed on the provider’s Medicare application. Identifying which patients were seen face-to-face in the past 3 years involves having an organized method for querying the practice’s billing system, preferably prior to the visit. One also needs to know which physicians were listed as which specialty or subspecialty on their formal Medicare application.

Two physicians are considered in the same practice group when they share the same federal tax identification number. That rule is irrespective of whether they practice at the same physical site.

Secondary carriers. When Medicare is a secondary carrier, Consult codes will not be paid by Medicare codes even when the primary accepts the Consult codes. Use the New, Established, and Initial Hospital Care families of codes if you want Medicare to pay as secondary. However, note that Medicare for many years has not paid the secondary amount when the primary carrier’s payment exceeds the Medicare allowed charges, as occurs for many privately contracted carriers. Combining both of these rules, it usually makes better sense to code Consults for the primary carrier, and write off the Medicare secondary as not collectable.

Prolonged Service codes and time-based coding. When a service takes greater than 30 minutes more than the base time, the physician can add a separate Prolonged Service code. For outpatients, use code 99354. For inpatients, use code 99356. These are payable by Medicare and most carriers. These Prolonged Service codes should be used more often with the new Medicare no-consults rule. Physicians should familiarize themselves with these codes and use them whenever they are appropriate. In addition to the code 99354 and 99356 for the first hour of prolonged service time, codes 99355 (outpatient) and 99357 (inpatient) are available as additional codes for services that take 75 minutes or more beyond the base code time. For example, an established outpatient service that took 2 hours could be coded as 99215 (40 minutes) plus 99354 (additional hour) plus 99355 (more than 15 minutes into the next hour). Time must be documented, and the reason for the extended time must be described.

When using the Counseling and Care Coordination method to document E/M based on time, use the highest levels of regular E/M before using the Prolonged Services codes. Prolonged Service may be used for established outpatient visits of 40 + 30 = 70 minutes, which is coded as 99215 plus 99354. When using bullet points to document E/M, level 4 or lower codes and base time may be used, e.g., for established outpatient level 4 visits of 25 + 30 = 55 minutes, code as 99214 + 99354. This requires that time be documented. Only the attending physician’s time counts, not the resident’s time.
time in the teaching setting. Physician assistant or mid-level time can be counted only for inpatients, in which case there must be 2 notes: 1 by the attending physician and 1 by the physician assistant or mid-level. In the latter case, the time and bullets from the 2 notes are aggregated for coding purposes (split-share services).

Some carriers (e.g., Maryland’s Medicare carrier) require documentation of start and end clock time.

**CODING EXAMPLES**

1. You provide a consult on a Medicare outpatient who was seen 2 years ago by another neurologist in your group. The consultation took 60 minutes face-to-face. You document a detailed history and moderate medical decision-making, and describe why the service took 60 minutes. You code as 99214 plus a 99354.

2. You next provide a consult on another Medicare patient who was seen 2 years ago by another neurologist in your group. The consult takes 75 minutes. You document that more than...
half of this 75-minute visit was spent counseling and coordinat-
ing care and say what that entailed. You code 99215 plus 99354.

3. You provide a consult on a Medicare inpatient for a high
decision-making case, i.e., new onset seizures. You document
as usual, and code as 99223.

4. You provide a consult on a Medicare outpatient. Your prac-
tice partner performed an inpatient EMG on the patient 2
years ago, but neither of you has performed an E/M visit
service. The consult took 60 minutes. You document a de-
tailed history and moderate medical decision-making, and
describe why the service took 60 minutes. You code as 99214
plus a 99354. You code as an established because a member of
your group performed a face-to-face service 2 years ago—the
EMG. Note this would have been a new patient visit, 99204
or 99205, if the test 2 years ago were an EEG because an EEG
interpretation is not a face-to-face physician service.

ORGANIZING YOUR CROSSWALKS The base
time for services decreases in these crosswalks as
shown in the table. For crosswalking outpatient
Consults to New Office, the base time decreases by
about 1/3: level 4 drops from 60 to 45 minutes, and
level 5 from 80 to 60 minutes. For crosswalking out-
patient Consults to Established Office, the base time
decreases by 1/2: level 4 drops from 60 to 25 minutes
and level 5 from 80 to 40 minutes. For crosswalking
inpatients to Initial Hospital Visit, the base time for
level 4 consult drops from 80 to 70 minutes, and
level 5 drops from 110 to 70 minutes.

Office or hospital follow-up visits are not affected
by these rules changes. With all these rules to remem-
ber, some practices have taken simpler, practical ap-
proaches. In one approach the physician codes
according to the traditional rules for all patients. The
back office crosswalks the codes. This is conservative
and may give up some occasional use of Prolonged
Service codes. Another tactic is to have separate su-
perbills for clinic patients—one for patients with
carriers who accept the Consult codes, and another
for carriers who do not. Such a No-Consult super-
bill can help walk the physician through the
choices when providing a consultation.

DISCLOSURE
Dr. Nuwer serves on a scientific advisory board for and holds stock in
CortiCare; serves as Honorary Consulting Editor for Clinical Neurop-
ysiology, on the Board of Advisors for Medical Economics, and on the editorial
boards of the Journal of Clinical Neurophysiology and Practical Neurology;
serves as a consultant for Medmarc, Inc. and as Local Medical Director for
SleepMed-Digitrace; receives research support from Bristol-Myers
Squibb; and has provided occasional depositions and courtroom testi-
mony in medico-legal cases. Ms. McDermott has received funding for
travel or speaker honoraria from the American Academy of Neurology.

Received June 14, 2010. Accepted in final form September 3, 2010.

REFERENCES
1. Center for Medicare and Medicaid Services. Federal Regis-

2. Office of the Inspector General (OIG), Department of
Health and Human Services. Consultations in Medicare:
Coding and Reimbursement (OEI-09-02-00030): March
2006. Available at: http://oig.hhs.gov/oei/reports/oei-09-

3. Medical Learning Network. MLN Matters, MM6740
Revised, Revisions to Consultation Services Payment
gov/MLNMattersArticles/downloads/MM6740.pdf.

4. Budget Neutrality Mappings for the Consultation Codes.
Available at: http://www.cms.hhs.gov/PhysicianFeeSched/
October 4, 2010.
Coding for Medicare consultations
Marc R. Nuwer and Mary McDermott
Neurology 2010;75;S56-S59
DOI 10.1212/WNL.0b013e3181fb35f1

This information is current as of November 1, 2010

Updated Information & Services
including high resolution figures, can be found at:
http://n.neurology.org/content/75/18_Supplement_1/S56.full

Permissions & Licensing
Information about reproducing this article in parts (figures, tables) or in its entirety can be found online at:
http://www.neurology.org/about/about_the_journal#permissions

Reprints
Information about ordering reprints can be found online:
http://n.neurology.org/subscribers/advertise