Clover

Clover Health Established Patient vs New Patient Billing for E/M Reimbursement Policy

Policy #RP-063

Policy Title	Established Patient vs New Patient Billing for E/M Reimbursement Policy
Policy Department	Payment Strategy & Optimization
Effective Date	4/1/2022
Revision Date(s)	
Next Review Date	

Disclaimer:

Clover Health applies The Center for Medicare and Medicaid Services (CMS) criteria and guidelines, National Coverage Determinations (NCD), Local Coverage Determinations (LCD), Clover Policies, and MCG for determining medical necessity. Clover Policies are intended to provide a standard guideline but are not used to preempt providers' judgment in rendering services. Providers are expected to provide care based on best practices and use their medical judgment for appropriate care.

Description:

This policy addresses the appropriate submission of a New Patient Evaluation and Management (E/M) service code vs an Established Patient service code. In order to bill with a New Patient E/M code the member needs to meet certain criteria. This policy describes what defines a New patient.

Definitions:

- Initial Visit
  - An Initial Visit is considered the first patient encounter for a specific purpose.
- Established Patient
  - An individual who receives professional services from the physician/NPP or another physician of the same specialty who belongs to the same group practice within the previous 3 years.
- New Patient
  - A New Patient is one who has not received any professional services from the physician, or other qualified health care professionals of the same specialty who belong to the same group practice, within the past three years.

- Physician or Other Qualified Healthcare Professional
  - Per the CPT book, a Physician or Other Qualified Healthcare Professional is an individual who is qualified by education, training, licensure/regulation (when applicable), and facility privilege (when applicable) who performs a professional service within his/her scope of practice and independently reports that professional service.

- Same Group Physician and/or Other Qualified Healthcare Professional
  - All physicians and/or other qualified health care professionals of the same group reporting the same Federal Tax Identification number.

- Same Specialty Physician or Other Qualified Healthcare Professional
  - Physicians and/or other qualified health care professionals of the same group and same specialty reporting the same Federal Tax Identification number.

- Subsequent Visit
  - Subsequent Visit is any encounter that occurs after the initial patient encounter for a specific purpose.

Policy:

According to the Centers for Medicare Services (CMS), a New Patient is a patient who has not received any professional services, i.e., E&M service or other face-to-face service (e.g., surgical procedure) from the physician or physician group practice (same physician specialty) within the previous 3 years.

Clover Health will reimburse a New Patient E/M code only when the criteria of the New Patient definition has been met.

When a professional component of a previous procedure is billed in a 3 year time period, e.g., a lab interpretation is billed and no E/M service or other face-to-face service with the patient is performed, then this patient remains a New Patient for the Initial Visit. An interpretation of a diagnostic test, reading an x-ray or EKG etc., in the absence of an E/M service or other face-to-face service with the patient does not affect the designation of a New Patient.

Some procedure codes that can be submitted on a claim prior to the provider seeing that patient as a New Patient. These types of procedure codes tend to encompass services that are performed prior to a provider having face to face office visit.

For all other E/M services except where specifically noted, Clover Health will not pay two E/M office visits billed by a physician (or physician of the same specialty from the same group practice) for the same beneficiary on the same day unless the physician documents that the visits were for unrelated problems in the office or outpatient setting which could not be provided during the same encounter (e.g., office visit for blood pressure medication evaluation, followed five hours later by a visit for evaluation of leg pain following an accident).

If the Physicians billing are in the same group practice and have the same specialty they must bill and be paid as though they were a single physician. Instead of billing separately, the physicians should select a level of service representative of the combined visits and submit the appropriate code for that level. Physicians that are in the same group practice but have different specialties may bill and be paid without regard to their affiliation to the same group.

Providers must ensure that their medical record documentation supports the level of service reported. The volume of documentation should not be used to determine which specific level of service is billed. In addition to the individual requirements associated with the billing of a selected E/M code, in order to receive payment from Clover Health for a service, the service must also be considered reasonable and necessary. Therefore, the service must be:
• Furnished for the diagnosis, direct care, and treatment of the beneficiary's medical condition (i.e., not provided mainly for the convenience of the beneficiary, provider, or supplier); and
• Compliant with the standards of good medical practice.

The medical necessity of a service is the comprehensive basis for payment in addition to the individual requirements of a CPT code. It would not be medically necessary or appropriate to bill a higher level of evaluation and management service when a lower level of service is warranted. The bulk of documentation should not be the primary influence upon which a specific level of service is billed. The service should be documented during, or as soon as practicable after it is provided in order to maintain an accurate medical record.

References
CMS. Gov
Medicare Claims Processing Manual - Chapter 12 - Physicians/Nonphysician Practitioners: Sections 30.6.7
The Medicare Learning Network (MLN): MLN Matters MM8165, MLN006764, MLN4649244