July 12, 2019

Provider Memorandum

Revised Emergency Department Outpatient Facility Evaluation and Management Coding Policies

As part of our continued efforts to reinforce accurate coding practices, Molina Healthcare of Illinois (Molina) will revise the current Emergency Department (ED) outpatient facility Evaluation and Management (E/M) coding reimbursement policy and procedure. These changes to the policy and procedure will be effective as of September 27, 2019.

Impacted Lines of Business
Molina Dual Options Medicare-Medicaid Plan (MMP).

Emergency Department Outpatient Facility Evaluation and Management Coding Policies
These policies focus on outpatient facility ED claims that are submitted with the following E/M codes:

- Level 1 (99281, G0380)
- Level 2 (99282, G0381)
- Level 3 (99283, G0382)
- Level 4 (99284, G0383)
- Level 5 (99285, G0384)

These policies were developed to address inconsistencies in coding accuracy and are based on the E/M coding principles created by the Centers for Medicare and Medicaid Services (CMS). CMS guidelines require hospital ED facility E/M coding guidelines follow the intent of CPT® code descriptions and reasonably relate to hospital resource use.

These policies will apply to all facilities, including freestanding facilities, that submit ED claims with level 1, 2, 3, 4, or 5 E/M codes for members of the affected plans, regardless of whether they are under contract to participate in our network.

Optum Emergency Department Claim (EDC) Analyzer Tool
As part of the implementation of these policies and procedures, Molina will begin using the Optum Emergency Department Claim (EDC) Analyzer tool. The tool determines appropriate E/M coding levels based on data from the patient's claim including:

- Patient's presenting problem
- Diagnostic services performed during the visit
- Any patient complicating conditions

To learn more about the EDC Analyzer™ tool, please visit EDCAnalyzer.com.

Providers submitting claims for ED or E/M codes may experience adjustments to level 1, 2, 3, 4, or 5 E/M codes to reflect an appropriate level E/M code or may receive a denial, based on the reimbursement structure

within their contracts with Molina. Providers will have the opportunity to submit dispute requests if they believe a higher-level E/M code is justified, in accordance with the terms of their contract.

Criteria that may exclude outpatient facility claims from these policies include:

- Claims for patients who were admitted from the emergency department or transferred to another health care setting (Skilled Nursing Facility, Long Term Care Hospital, etc.)
- Claims for patients who received critical care services (99291, 99292)
- Claims for patients who are under the age of two years
- Claims with certain diagnosis codes that when treated in the ED most often necessitate greater than average resource usage, such as significant nursing time
- Claims for patients who expired in the ED

Ultimately, the goal of facility coding is to accurately capture ED resource utilization and align that with the E/M CPT® code description for a patient visit per CMS guidance.

Questions
Providers who have questions, concerns or would like additional training, including how to use the Molina Provider Portal, may contact their provider network managers or email the Provider Network Management Department at MHILProviderNetworkManagement@MolinaHealthcare.com.

For help identifying your provider network manager visit Molina's Service Area page at www.MolinaHealthcare.com.

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