Disclaimer

This presentation is intended only for use by Tulane University faculty, staff, and students. No copy or use of this presentation should occur without the permission of Tulane University. Tulane University retains all intellectual property interests associated with the presentation. Tulane University makes no claim, promise, or guarantee of any kind about the accuracy, completeness, or adequacy of the content of the presentation and expressly disclaims liability for errors and omissions in such content.
Medical Decision Making

Physicians and Staff may earn one (1) compliance credit during a fiscal year (July 1 – June 30) upon completion of the assessment (attached).

To check to see how many compliance credits you have and to check which training sessions you have completed, contact the University Privacy and Contracting Office at 504-988-7739.

It is the policy of TUMG to provide healthcare services that are in compliance with all state and federal laws governing its operations and consistent with the highest standards of business and professional ethics. Education for all TUMG physicians is an essential step in ensuring the ongoing success of compliance efforts.
Medical Decision Making

This education is Part 4 of a 9-part series on documenting and selecting the level of service for outpatient visits.

Part 1: Overview of Basic Principles
Part 2: History
Part 3: Exam
Part 4: Medical Decision Making
Part 5: Initial Consults
Part 6: Pre-Operative and Confirmatory Consults
Part 7: Time-Based Codes
Part 8: Billing E/M Services in a Teaching Setting
Part 9: Modifiers -24 and -25

Physicians and Staff may earn one (1) compliance credit during a fiscal year (July 1 – June 30) upon completion of the assessment (attached).

To check to see how many compliance credits you have and to check which training sessions you have completed, contact the University Privacy and Contracting Office at 504-988-7739

It is the policy of TUMG to provide healthcare services that are in compliance with all state and federal laws governing its operations and consistent with the highest standards of business and professional ethics. Education for all TUMG physicians is an essential step in ensuring the ongoing success of compliance efforts.

Purpose of presentation:

- To identify and describe the three elements of Medical Decision Making (MDM)
  - Number of Diagnosis and Management Options
  - Amount and Complexity of Data
  - Risk to Patient
- To identify and describe the documentation requirements for the four levels of Medical Decision Making (MDM)
  - Straightforward
  - Low
  - Moderate
  - High
- To introduce a Medical Decision Making (MDM) Computation Template
- To provide sample documentation for review and computation of the level of Medical Decision Making (MDM)

1995 Principles and Guidelines
An Overview of Medical Decision Making

Medical Decision Making is the third component used in determining the level of an E/M service. It has three elements:

1) Number of Diagnoses or Management Options
   a. All known diagnosis(es) that are being treated
   b. Undiagnosed conditions that are being evaluated
   c. Treatments being used, considered or planned

2) Amount and Complexity of Data to be Reviewed
   a. Orders and review of all tests – labs, radiologic, medical
   b. Discussion of test results with performing physician
   c. Independent review of image, tracing or specimen
   d. Decision to obtain and review old medical records
   e. History obtained from someone other than the patient

3) Risk of Complications and/or Morbidity or Mortality (Table of Risk)
   a. Presenting problems or the number of diagnoses and/or risk of complications
   b. Diagnostic procedures ordered
   c. Management options selected

The first two elements are determined by a numerical calculation after the information is entered on the Medical Decision Making Table. The third element is determined by selecting a “Risk” level from the Table of Risk.

Medical Decision Making has 4 levels:

Straight Forward – minimal number of possible diagnoses or management options; minimal, if any, amount and complexity of data to be reviewed; and minimal risk of complications and/or morbidity or mortality

Low Complexity: limited number of possible diagnoses or management options, limited amount and/or complexity of data to be reviewed; and low risk of complications and/or morbidity or mortality

Moderate Complexity: multiple number of possible diagnoses or management options, moderate amount and/or complexity of data to be reviewed; and moderate risk of complications and/or morbidity or mortality

High Complexity: extensive number of possible diagnoses or management options, extensive amount and/or complexity of data to be reviewed; and high risk of complications and/or morbidity or mortality

The Table of Risk Level of Risk column provides some further clarification that may help to determine the overall level of risk for an E/M service.

<table>
<thead>
<tr>
<th>Level of Risk</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimal</td>
<td>problem that runs a definite and prescribed course, is transient in nature and is not likely to permanently alter health status OR has a good prognosis with management/compliance</td>
</tr>
<tr>
<td>Low</td>
<td>problem where risk of morbidity without treatment is low; there is little or no risk of mortality without treatment; full recovery without functional impairment is expected.</td>
</tr>
<tr>
<td>Moderate</td>
<td>problem where the risk or morbidity without treatment is moderate; there is moderate risk of mortality without treatment, uncertain prognosis OR increased probability of prolonged functional impairment</td>
</tr>
<tr>
<td>High</td>
<td>problem where the risk or morbidity without treatment is high to extreme; there is moderate to high risk of mortality without treatment OR high probability of severe, prolonged functional impairment</td>
</tr>
</tbody>
</table>
How Medical Decision Making relates to the Level of Service Selection and Reimbursement for E/M Visits

Keeping in mind that E/M levels are determined by documentation of three of three components for New Patients or Consults and two of three components for Established Patients, **it is important to understand that a high complexity of decision making does not determine the overall level of E/M service**. This quote from an Ingenix Coding Guidebook is useful in understanding the relationship of Medical Decision Making to the other E/M Key Components (History and Exam) and how the Key Components TOGETHER support level of service and reimbursement. The Ingenix reference manual that address Evaluation and Management Coding states:

If physicians can sense the level of service that the presenting problems require, they can then be certain to document the history and exam elements required to support the service…This is not to say that a code should be selected, then various amounts of history or exam performed to support it. Rather, the point is that if the level of decision making describes the real efforts in terms of identifying and managing a problem, and, as is almost always the case, especially with established patients, either the history or exam performed will support that level of decision making – be sure to document these supporting elements. (Ingenix 2003, *Coding for Evaluation and Management Services*, page 9)

**Bottom Line:**
A high level New Patient or Consult Code (99204-99205 and 99244-99245) require the following levels of documentation for the three E/M Key Components:

<table>
<thead>
<tr>
<th>Code</th>
<th>History</th>
<th>Exam</th>
<th>MDM</th>
</tr>
</thead>
<tbody>
<tr>
<td>99204/99244</td>
<td>Comprehensive</td>
<td>Comprehensive</td>
<td>Moderate</td>
</tr>
<tr>
<td>99205 / 99245</td>
<td>History – Comprehensive</td>
<td>Exam – Comprehensive</td>
<td>High</td>
</tr>
</tbody>
</table>

If any of the three Key Components does not meet the documentation requirements for that particular service, then a lower level of service would have to be selected.

**Documentation pointer:** Be sure your documentation is clear regarding test results Physicians receive credit for interpreting tests or reading x-rays, but the documentation must be clear that the physician is interpreting. Statements such as 1) *Today’s x-rays show*… and 2) *MRI done in ER shows*….support that the physician is interpreting, and should be credited for that complexity of data.

**Medical Decision Making Computation Template:** The next three pages of this handout are copies of Medical Decision Making Computation Template that will be used to determine the level of Medical Decision Making for sample documentation contained in this presentation.

- How to use the template: Refer to sample documentation (page 1 of the Quiz) and
  - Step 1: Fill out sections 1, 2, 3 at top of template – determine the levels for Number of Diagnosis/Management, Complexity of Data, Level of Risk
  - Step 2: Use the Computation Table to determine level of MDM by transferring the information from Section 1,2, and 3 to the table. **On the Quiz page, circle the MDM level that was documented.**
HOW IT WORKS:
Use these tables to calculate your level of medical decision making. Your assessment of the problems addressed, the data reviewed and the level of risk will determine the overall level of complexity. Remember that two of three elements are required.

<table>
<thead>
<tr>
<th>MEDICAL DECISION MAKING</th>
<th>Problem Points</th>
<th>Data Points</th>
<th>Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimal Complexity</td>
<td>1</td>
<td>1</td>
<td>Minimal</td>
</tr>
<tr>
<td>Low Complexity</td>
<td>2</td>
<td>2</td>
<td>Low</td>
</tr>
<tr>
<td>Moderate Complexity</td>
<td>3</td>
<td>3</td>
<td>Moderate</td>
</tr>
<tr>
<td>High Complexity</td>
<td>4</td>
<td>4</td>
<td>High</td>
</tr>
</tbody>
</table>

**PROBLEMS (Diagnoses)**

<table>
<thead>
<tr>
<th>Points</th>
<th>DATA</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Review or order clinical lab tests</td>
<td>1</td>
</tr>
<tr>
<td>1</td>
<td>Review or order radiology test (except cardiac catheterization or echo)</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Review or order medicine test (PFTs, ECG, cardiac catheterization or echo)</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Discuss test with performing physician</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>Independent review of image, tracing or spectrum</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Review and summation of old records</td>
<td>2</td>
</tr>
</tbody>
</table>

Circle points in Medical Decision Making table (above, right) then Complete Risk Table (next page)
<table>
<thead>
<tr>
<th>RISK</th>
<th>Presenting Problem(s)</th>
<th>Diagnostic Procedures</th>
<th>Management Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimal: problem that runs a definite and prescribed course, is transient in nature and is not likely to permanently alter health status, OR has a good prognosis with management, compliance</td>
<td>One self-limited or minor problem (e.g., cold, insect bite, tinea corporis)</td>
<td>Laboratory tests; Chest X-rays; ECG/EEG; Urinalysis; Ultrasound/Echocardiogram; KOH prep.</td>
<td>Rest; Gargles; Elastic bandages; Superficial dressings.</td>
</tr>
<tr>
<td>Low: problem where risk of morbidity without treatment is low; there is little or no risk of mortality without treatment; full recovery without functional impairment is expected</td>
<td>Two or more self-limited or minor problems; One stable chronic illness (e.g., well-controlled HTN, DM2, cataract); Acute uncomplicated injury or illness (e.g., cystitis, allergic rhinitis, sprain)</td>
<td>Physiologic tests not under stress (e.g., PFT); Non-cardiovascular imaging studies with contrast (e.g., barium enema); Superficial needle biopsy; ABG; Skin biopsies.</td>
<td>Minor surgery with identified risk factors; Physical therapy; Occupational therapy; IV fluids without additives.</td>
</tr>
<tr>
<td>Moderate: problem where the risk or morbidity without treatment is moderate; there is moderate risk of mortality without treatment; uncertain prognosis OR increased probability of prolonged functional impairment</td>
<td>One or more chronic illness with mild exacerbation, progression or side effects of treatment; Two or more stable chronic illnesses; Undiagnosed new problem with uncertain prognosis (e.g., lump in breast); Acute illness with systemic symptoms (e.g., pyelonephritis, pleuritis, coccus); Acute complicated injury (e.g., head injury with brief loss of consciousness)</td>
<td>Physiologic tests under stress (e.g., cardiac stress test, fetal contraction stress test); Diagnostic endoscopies with no identified risk factors; Deep needle or incisional biopsies; Cardiovascular imaging studies with contract with no identified risk factors (e.g., arteriogram, cardiac catheterization); Obtain fluid from body cavity (e.g., LP/thoracentesis).</td>
<td>Minor surgery with identified risk factors; Elective major surgery (open, percutaneous or endoscopic) with no identified risk factors; Prescription drug management; Therapeutic nuclear medicine; IV fluids with additives; Closed treatment of fracture or dislocation without manipulation.</td>
</tr>
<tr>
<td>High: problem where the risk or morbidity without treatment is high; there is moderate risk of mortality without treatment; uncertain prognosis OR high probability of severe, prolonged functional impairment</td>
<td>One or more chronic illness with severe exacerbation, progression or side effects of treatment; Acute or chronic illness or injury, which poses a threat to life or bodily function (e.g., multiple trauma, acute MI, PE, progressive severe rheumatoid arthritis); An abrupt change in neurological status (e.g., TIA, sensory loss)</td>
<td>Cardiovascular imaging, with contrast, with identified risk factors; Cardiac EP studies; Diagnostic endoscopies with identified risk factors; Discography.</td>
<td>Elective major surgery with identified risk factors; Emergency major surgery (open, percutaneous or endoscopic); Parenteral controlled substances; Drug therapy requiring intensive monitoring for toxicity; Decision not to resuscitate, or to de-escalate care because of poor prognosis.</td>
</tr>
</tbody>
</table>
There are three elements of MDM.

1. List the Number of Diagnoses or Management Options (problems):
   a. __________________________________________________
   b. __________________________________________________
   c. __________________________________________________

2. List the parts of “Amount of Complexity of Data to be Reviewed”:
   a. __________________________________________________
   b. __________________________________________________
   c. __________________________________________________
   d. __________________________________________________
   e. __________________________________________________

3. List the elements of the “Risk of Complications” (Table of Risk)
   a. __________________________________________________
   b. __________________________________________________
   c. __________________________________________________

For this question, use the computation chart (pages 5 and 6) to determine the level of MDM:

4. Patient presents (at PCP’s office) with ER report of high BP after an attack of light-headedness at work. New-onset hypertension, acute onset. Not symptomatic today. Will do 24-hr urine for catecholamines, start Norvasc 5 mg, home blood pressure log. Follow up in two weeks with Dr. Gray with a chem. -7; sooner for problems or uncontrolled BP.

   Circle the level of MDM:  Straightforward  Low  Moderate  High
5. A physician recommends major surgery for a patient and explains that the patient’s high blood pressure and age will certainly factor into the probability for a successful outcome. What level of risk should be assigned?

Circle the level of MDM: Straightforward Low Moderate High

6. If a physician orders two sets of x-rays of two different body areas, two points should be credited on the X-ray line of the “Complexity of Data” section of the Medical Decision Making table.

_____ True _____ False

7. A person with well-controlled hypertension would have a risk level of (Circle one):

Minimal Low Moderate High

8. A physician sees a patient with a new problem, for which he orders lab work and x-rays. How many points are assigned under the Diagnosis Management (Problems) section of the MDM table?

______________

9. Documentation for a New Patient level 99204 code requires a (enter appropriate level of documentation):

a. ________________________ History
b. ________________________ Exam
c. ________________________ MDM

10. Documentation for a level 99205 code requires a:

a. ________________________ History
b. ________________________ Exam
c. ________________________ MDM