Office of Mental Health and Substance Abuse Services
Bureau of Policy, Planning and Program Development

Policy Clarification

Issue Clarification # 03-16-01 *Applicability: All*
Date of Receipt: 3/21/2016 *Source Documentation: BHRSCC*

Submitted by: ***HealthChoices Providers***
County Authority: *All*
Topic Area: *Encounter Coding*

Question/Issue:

It has been requested for DHS to allow Behavioral Health HealthChoices (BH-HC) service providers to report *outpatient* psychiatric *clinic* service encounters by using an Evaluation and Management (E/M) code based on the complexity of an individual's condition rather than both complexity and duration of encounter.

Background/Context Provided within the Request :

On January 1, 2013, the American Medical Association (AMA) published updated E/M codes. CMS then published an updated E/M services guide in November 2014. The coding and guidance provided by CMS allowed for use of complexity of care to be a primary criterion for reimbursement for services. However, no changes in this part of the guidance were required and the Department continued with its existing reimbursement mechanism.

In response to requests by stakeholders, OMHSAS convened the affected bureaus to consider implementing a revised approach to the E/M usage for *outpatient* psychiatric *clinic* codes in HealthChoices as proposed by the AMA and allowable by CMS.

OMHSAS
Answer/Response:

In response to requests and after careful review, OMHSAS is allowing a change in the use of E/M codes for outpatient psychiatric clinic service encounters for HealthChoices Behavioral Health submissions. The change requires, as an alternative, identification of the appropriate code application using the consideration of three key components: the extent of history, the extent of the examination performed, and the extent of the medical decision making. These components establish a relationship within the coding to identify the complexity of the presenting problems, if time and/or duration of the service is not being used as a proxy for complexity. *Typical* face-to-face time spent, however, remains within **each** code summary as an additional gauge of complexity. The actual time spent is required for documentation but will not be considered as a

measure of complexity when the code choice is made based on the three key components and documented appropriately.

With respect to mental health professionals who prefer to utilize the provision for the use of time, they must spend the entire allotted time identified as "typical" in the code summary, face-to-face with the patient (and/or family, as appropriate), and at least half of that time must be used for "counseling and coordination of care."

OMHSAS will permit the Behavioral Health Managed Care Organizations to utilize the guidance as published by CMS for reimbursement in HealthChoices only. This change has been entered into the system and is currently effective. Reference BHSRCC, Line 42 for provider type 08 specialty 110.

Sherry L. Peters	8/10/2016	Steven Romilliard	8/10/2016
Director, Bureau of Policy, Planning, & Program Development	Date Issued	Director, Bureau of Quality Management and Data Review	Date Issued