

Related Change Request (CR) #: 3771

MLN Matters Number: MM3771

Related CR Release Date: April 1, 2005

Related CR Transmittal #: 516

Effective Date: January 1, 2005

Implementation Date: October 3, 2005

## *MMA - Clarification for Outpatient Prospective Payment System (OPPS) Hospitals Billing the Initial Preventive Physical Exam (IPPE)*

**Note:** This article was revised to contain Web addresses that conform to the new CMS website and to show they are now MLN Matters articles. All other information remains the same.

### Provider Types Affected

Physicians, providers, and suppliers

### Provider Action Needed



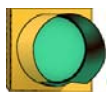
#### **STOP – Impact to You**

This article is based on information contained in Change Request (CR) 3771 which contains instructions for all hospitals subject to the Outpatient Prospective Payment System (OPPS) that bill for a Medicare Beneficiary's Initial Preventive Physical Examination (IPPE) along with the technical component of their ECG on the same claim.



#### **CAUTION – What You Need to Know**

Hospitals that are subject to OPPS (TOBs 12X and 13X) must use modifier 25 when billing the IPPE (Healthcare Common Procedure Coding System (HCPCS) code G0344) along with the technical component of the ECG (HCPCS code G0367) on the same claim. This is due to the OPPS Outpatient Code Editor (OCE) which contains an edit requiring a modifier 25 on any Evaluation and Management (E/M) HCPCS code when there is also a status "S" or "T" HCPCS procedure code on the claim.



#### **GO – What You Need to Do**

Please see the Background and Additional Information Sections of this instruction for further details regarding this change.

#### Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

## Background

The Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA, Section 611) provides for coverage under Part B of one Initial Preventive Physical Examination (IPPE) for new beneficiaries only (subject to certain eligibility and other limitations, and effective for services furnished on or after January 1, 2005). The IPPE may be performed not later than 6 months after the date the individual's first coverage begins under Medicare Part B.

Medicare will pay for only one IPPE per beneficiary per lifetime, and the Common Working File (CWF) will edit for this benefit. The total IPPE service includes an Electrocardiogram (EKG), but the EKG performed as a component of the IPPE will be billed separately with its own unique Healthcare Common Procedure Coding System (HCPCS) code(s).

The following new HCPCS codes have been developed for the IPPE benefit:

- **G0344: Initial preventive physical examination**; face-to-face visit, services limited to new beneficiary during the first 6 months of Medicare enrollment
- **G0366: Electrocardiogram, routine EKG with 12 leads**; performed as a component of the initial preventive examination **with interpretation and report**
- **G0367: EKG tracing only, without interpretation and report**, performed as a component of the initial preventive examination
- **G0368: EKG interpretation and report only**, performed as a component of the initial preventive examination

If the EKG performed as a component of the IPPE is not performed by the primary physician or qualified Non-Participating Provider (NPP) during the IPPE visit, another physician or entity may perform and/or interpret the EKG. The referring provider needs to make sure that the performing provider bills the appropriate G code for the screening EKG, and not a CPT code in the 93000 series. Both the IPPE and the EKG should be billed in order for the beneficiary to receive the complete IPPE service. If the same physician or NPP needs to perform an additional medically necessary EKG in the 93000 series on the same day as the IPPE, the provider should report the appropriate EKG CPT code(s) with modifier 59, indicating that the EKG is a distinct procedural service.

The instructions for billing the IPPE, released in CR 3638, Transmittal 417, dated December 22, 2004, failed to take into account an existing hospital Outpatient Prospective Payment System (OPPS) Outpatient Code Editor (OCE) edit.

The OPPS OCE (Version 6.0) like all previous OPPS OCEs, contains an edit that 1) requires a modifier 25 on any Evaluation and Management (E/M) HCPCS code if 2) there is also a status "S" or "T" HCPCS procedure code on the claim.

The HCPCS code for the IPPE (or Welcome to Medicare Physical) uses an E/M code, **G0344**, and the HCPCS code for the technical component only of the EKG, **G0367**, has a status indicator of S.

Therefore, this instruction directs hospital outpatient departments (subject to the hospital OPPS) that want to obtain payment for the IPPE (G0344) to do the following:

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- Append modifier 25 to the HCPCS code for the IPPE itself (HCPCS code G0344) when the technical component of the EKG (G0367) is billed on the same claim.

Also, Fiscal Intermediaries (FIs) are to process any provider requests for adjustments if the FI initially denied the claim for HCPCS code G0344.

## Implementation

The implementation date for this instruction is October 3, 2005.

## Additional Information

Change Request (CR) 3638 (Transmittal 417, dated December 22, 2004, subject Initial Preventive Physical Examination (IPPE)) can be reviewed at <http://www.cms.hhs.gov/transmittals/downloads/R417CP.PDF> on the CMS website.

See the Medicare Claims Processing Manual (Pub. 100-04), Chapter 18 (Preventive and Screening Services), Section 80.3 (Fiscal Intermediary Billing Requirements) for a list of bill types of facilities that can bill FIs for this service at <http://www.cms.hhs.gov/manuals/downloads/clm104c18.pdf> on the CMS website.

For the physician/practitioner billing correct coding policy, please see the Medicare Claims Processing Manual (Pub. 100-04), Chapter 12 (Physicians/Nonphysician Practitioners), Section 30.6.1.1 (Initial Preventive Physical Examination (HCPCS Codes G0344, G0366, G0367, and G0368)) at <http://www.cms.hhs.gov/manuals/downloads/clm104c12.pdf> on the CMS website.

For complete details, please see the official instruction issued to your intermediary regarding this change. That instruction may be viewed at <http://www.cms.hhs.gov/transmittals/downloads/R516CP.pdf> on the CMS website.

If you have any questions, please contact your intermediary at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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