CHCPP NEWS
COMMISSION ON
HEALTH CARE POLICY AND PRACTICE

Medicare Implements New E&M Guidelines

On October 1, the Health Care Financing Administration (HCFA) began using a new, expanded set of documentation guidelines for evaluation and management (E&M) services. A grace period is in effect until January 1, 1998, during which a physician may document E&M services in accordance with either the current or revised guidelines.

E&M services are performed separately from nuclear medicine procedures and should be indicated by code in the report. A clinical evaluation of every patient is presumed to be a component of a nuclear medicine procedure.

If a referring physician requests a consultation in writing for an opinion on the appropriateness of a nuclear medicine procedure, an E&M procedure may be performed. If both the nuclear medicine and E&M procedures are done on the same day, the latter should be coded using the –25 modifier, that is, "significant, separately identifiable evaluation and management service by the same physician on the same day of the procedure or other service."

The new guidelines are not meant to dictate how or what physicians must document. Rather, they represent clear, consistent advice on what criteria Medicare carriers will use to ensure that documentation in the medical record is consistent with the level of E&M service billed to the carrier. The public availability of this information is a new and powerful tool in assisting physicians who are audited by carriers and in preventing arbitrary downcoding by carriers.

A key feature of the new guidelines is the specification of single-organ-system examination codes that will now be available to physicians for reporting certain upper-level E&M services. Currently, many carriers either exclude some specialists from reporting upper-level services or have developed their own criteria.

The guidelines were developed jointly by the AMA and HCFA, with extensive involvement of the CPT Editorial Committee. In addition, they were thoroughly reviewed and discussed by representatives of the medical specialties during their development. The guidelines are meant to make physicians aware of the criteria that Medicare carriers will use to evaluate their records in audits concerning the appropriate use of E&M codes.

The new documentation guidelines can be found on the HCFA home page at http://www.hcfa.gov. The guidelines have also been printed in the July edition of *CPT Assistant*. In addition, *AMA News* and carrier bulletins will soon be providing information about the guidelines and how physicians can ensure that their medical records are complete so as to withstand carrier review and scrutiny.

The new guidelines were developed with the following aims:

- To incorporate the content of general multisystem examinations.
- To provide documentation requirements for general multisystem examinations.
- To provide content and documentation requirements for examinations pertaining to 10 organ systems (the advice and guidance for these examinations came from representatives of the specialties that frequently perform them).
- To include several editorial changes made to the definitions of the four types of examinations.
- To expand the definition of an extended history of present illness to include information about chronic or inactive conditions.

The mutual goal of the AMA and HCFA in developing these guidelines is to provide physicians and claims reviewers with advice about preparing or reviewing documentation for E&M services. There has been increased emphasis on documentation because of HCFA's interest in Physicians at Teaching Hospitals audits and the recent HCFA audit by the Office of the Inspector General.

For more information contact Celeste Kirschner at the AMA's Department of Coding and Nomenclature, (312) 464-5932, or your local Medicare carrier.

AHCPR Announces 12 Evidence-Based Practice Centers

The Agency of Health Care Policy and Research (AHCPR) has begun a new program designed to help clinicians, providers and health plans improve the quality of health care by giving them state-of-the-art scientific information on common, costly medical conditions and new health care technologies.

Under its Evidence-Based Practice Program, AHCPR has awarded 12 five-year contracts to institutions in the U.S. and Canada to serve as evidence-based practice centers (EPCs). The EPCs will review all relevant scientific literature on medical topics assigned to them by AHCPR and conduct additional analyses when appropriate.

Findings will be produced as evidence reports or technology assessments, which AHCPR will disseminate widely through its Web site and as printed documents. These evidence reports will serve as the scientific foundation for public and private-sector organizations to develop tools and strategies for improving the quality of health care services they provide and pay for. Technology assessments produced by the EPCs will give health plans and payers information they need to make informed decisions about covering new and changing medical devices and procedures.

The following institutions were designated as EPCs:

- Blue Cross/Blue Shield Technical

Evaluation Center, Chicago
- Duke University, Durham, NC
- ECRI, Plymouth Meeting, PA
- Johns Hopkins University, Baltimore
- McMaster University, Hamilton, Ontario
- MetaWorks, Inc., Boston
- New England Medical Center, Boston
- Oregon Health Sciences University, Portland
- RAND Corporation, Santa Monica, CA
- Research Triangle Institute and University of North Carolina at Chapel Hill
- University of California, San Francisco, and Stanford University
- University of Texas, San Antonio

The reports produced by the EPCs will have a significant impact on the quality of health care services by providing much-needed critical evaluations of the available scientific literature regarding clinical interventions and technologies, said John M. Eisenberg, MD, AHCPR administrator. This will be invaluable not only to individual clinicians, health plans, providers and purchasers, but also to the health care system as a whole by providing important information to help reduce unnecessary variations in medical practice.

EANM Partners with SNM on Utilization Database

During the European Association of Nuclear Medicine (EANM) meeting in September, a partnership was formed with the Society of Nuclear Medicine (SNM) to undertake a joint program aimed primarily at the analysis of nuclear medicine practice. SNM president H. William Strauss, MD, and EANM president Angelika Delaloye, MD, signed the agreement in Glasgow.

The goal is to develop an aggregate utilization analysis database to collect information on nuclear medicine procedures, equipment and personnel, as well as on institution demographics.

The Commission on Health Care Policy and Practice has contacted a European representative about informing European physicians of CPT codes for the most frequently performed procedures in the U.S. (based on 1996 Medicare data) so that they may collect data in a similar format. This will allow the data to be analyzed in an international context.

EANM will conduct a pilot of three European cities (Paris, London and a third city yet to be determined) over the next several months to analyze the differences in practices by country and to draw appropriate conclusions to further develop and extend the project throughout Europe.

As in the U.S. project, the Europeans will ensure anonymity and confidentiality of data, update the database at least twice a year and distribute reports to institutions that participate in the project. SNM leaders reported enthusiasm for this collaborative project, which, they hope, will provide important data for reimbursement and managed care issues.

—Wendy J.M. Smith, MPH, is the SNM director of health care policy.

Research Developments for Thyroid Cancer

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out penetrating too much to cause excessive radiation to the bone marrow.

BNL and Diatide, Inc. (Londonderry, NH), which is licensed to manufacture and market the agent, will initiate an extended Phase II/III clinical trial with more than 200 patients. They are hoping that the data from the Phase II/III study will corroborate preliminary results from an earlier Phase I/II trial in 47 patients. In the earlier study, 30 of 40 patients (75%) experienced complete (n = 12) or significant (n = 18) pain relief during an observation period of 1 to 4 months. Of the 40 assessable patients, 2 patients experienced Grade 2 and 1 patient experienced Grade 3 white blood cell toxicity. No patients demonstrated clinically significant platelet toxicity. (These values are lower than those reported for other agents.)

Because of its potentially low hematological toxicity, researchers believe that ^{117m}Sn could be useful for treatment of primary bone tumors and rheumatoid arthritis. BNL is planning an experimental trial using ^{117m}Sn in dogs with primary osteoblastic osteosarcoma and a preliminary biodistribution study in patients with rheumatoid arthritis. In addition, studies are in development that would investigate the additive effect ^{117m}Sn might have when combined with external beam therapy as well as with several other chemotherapies.

—Jeffrey E. Williams