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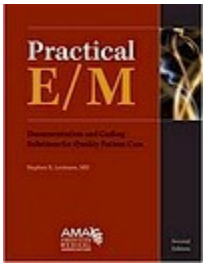

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Integrating NPP into E/M for Compliance and Quality Care

While the CMS documents provide details of the three "key components" of the E/M system, thorough understanding of *compliant* E/M documentation and coding must necessarily include consideration of the Nature of the Presenting Problem(s) ("NPP"), an additional E/M component that the AMA publication "Current Procedural Terminology" (CPT®) identifies as one of three "contributory factors."[1] This is because "the NPP is the CPT coding system's E/M vehicle for evaluating medical necessity,"[2] and as explained by the Centers for Medicare and Medicaid Services ("CMS"), "Medical Necessity of a service is the overarching criterion for payment in addition to the individual requirements of a CPT code."[3] This principle derives from Social Security Law, which mandates "Medicare will not pay for services that are not medically necessary."[4] Therefore, submission of a high level of E/M service is not warranted if the presenting problem has relatively low severity of NPP (e.g., a sprained ankle, a viral upper respiratory infection, or an uncomplicated urinary tract infection), even if there has been extensive documentation of medical history, physical examination, and medical decision making (the three key components). This is because the NPP fails to support the medical necessity of these high levels of care.

The following excerpts quoted from the American Medical Association's own publication about E/M compliance clarify the concept of the nature of the presenting problem and explain how physicians should incorporate this concept into both patient care workflow and compliant documentation and coding.

"**Principle #3: The "Nature of Presenting Problem" Indicates the Level of Care and Coding Warranted by the Patient's Illness.** Very few coding texts or courses pay significant attention to the role of "nature of presenting problem" (NPP) in coding and documentation. In contrast, Practical E/M adheres to the concepts presented in the CPT codebook in Appendix C, "Clinical Examples," which emphasizes NPP as an integral component of coding and documentation and recognizes it as the indicator for selecting the appropriate level of medical care warranted by the severity of the patient's illness(es).

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[1] American Medical Association, Current Procedural Terminology (CPT®) 2011, Professional Edition, AMA Press, 2010, page 6 *CPT is a registered trademark of the American Medical Association.*

[2] Levinson, Stephen R., M.D., Practical E/M: Documentation and Coding Solutions for Quality Patient Care, second edition, AMA Press, 2008, page 47

[3] Medicare Claims Processing Manual, Chapter 12, Section 30.6.1

[4] Social Security Law, section 1862

Nature of Presenting Problem and Medical Necessity

The CPT codebook introduces NPP as one of the seven components for determining levels of E/M services. While the CPT codebook labels NPP as a "contributory factor," its relationship to code selection is an essential element in the CPT codebook's detailed description of most E/M services.

The presenting problem is defined as "a disease, condition, illness, injury, symptom, sign, finding, complaint, or other reason for encounter, with or without a diagnosis being established at the time of the encounter."[1] The CPT codebook presents five types, or levels, of severity of NPP. These describe the natural course, severity, risk, and/or long-term sequelae of patients' health problems. As shown in Appendix C of the CPT codebook, presenting problems with higher severity NPPs warrant higher levels of E/M care. This concept correlates with the Centers for Medicare & Medicaid Services' (CMS) mandate for "medical necessity" as a requirement for reimbursement of services.

CMS defines medical necessity as, "services or supplies that: are proper and needed for the diagnosis or treatment of your medical condition, are provided for the diagnosis, direct care, and treatment of your medical condition, meet the standards of good medical practice in the local area, and aren't mainly for the convenience of you or your doctor."[2] Medicare medical directors and auditors commonly apply this principle when reviewing E/M services, by determining that increasing levels of care are "proper and needed" with increasing severity of illness."[5]

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[5] "Practical E/M," Introduction, page xx

"Nature of presenting problem (NPP) refers to the reason for the medical encounter, regardless of whether a diagnosis is established at the conclusion of the encounter. The CPT coding system describes five levels of severity for NPP: minimal, minor or self-limited, low, moderate, and high. The descriptions of the degree of severity are based on the natural history of a given medical problem if left untreated, plus its relative risks of morbidity, mortality, and/or significant functional impairment…..

The CPT codebook descriptions of the levels of care for a given type of service depend on seven possible components of the medical care. We concentrate on the four components that the CPT coding system considers for every E/M encounter. These include the medical history, the physical examination, medical decision making (MDM), and the nature of the presenting problem. While the E/M section of CPT labels the first three factors as "key components" and the fourth as a "contributory factor," the text description indicates that all four are involved with every patient encounter (for most types of service)…..

The exclusion of NPP from classification as one of the "key components" has frequently led (or rather, has misled) physicians, coders, auditors, and consultants to consider only the history, physical examination, and MDM in selecting E/M codes. However, a critical insight to coordinating coding and documentation with medical necessity and appropriate quality care is to treat the NPP as a mandatory fourth factor in every type of service that incorporate the three key components. In fact, Practical E/M methodology establishes the NPP as the second factor to be considered (after the medical history) during these patient encounters, since it is essential for aligning the level of care warranted with the severity of each patient's medical problem(s)."[6] …….
….

[6] "Practical E/M," Chapter 5, pages 40 - 41

"**The Clinical Examples Appendix and Selecting a Level of E/M Service"**

The E/M Services Guidelines advises that "clinical examples of the codes for E/M services are provided to assist physicians in understanding the meaning of the descriptors and selecting the correct code." In CPT® 2006, the Clinical Examples section appears in Appendix C. This section suggests an effective alternative approach to E/M coding and documentation. It begins with the statement that the "clinical examples, when used with the E/M descriptors contained in the full text of CPT, provide a comprehensive and powerful tool for physicians to report the services provided to their patients."1 The examples in the body of the appendix are clinical vignettes, composed of medical information that briefly (in about 30 words) summarizes only a few elements of each patient's medical history and/or diagnosis. Analyzing the content of the examples leads to the conclusion that each clinical summary clearly presents the nature of the patient's presenting problem(s). Therefore, the Clinical Examples in this appendix confirm that the CPT coding system associates the NPP for each patient encounter with an appropriate level of E/M care.

Relating the Clinical Examples to the NPP

The clinical examples presented in Appendix C of the CPT codebook offer only a brief summary of the pertinent clinical aspects of a patient's history of the presenting problem. As an illustration, a vignette listed as an example of E/M code 99203 states "initial office visit for a 50-year old female with dyspepsia and nausea." Clearly, this brief summary does not include significant medical history, and has no information about the physical examination or medical decision making. Rather, this is a synopsis of the features of the history that enable a physician to surmise the potential severity of the patient's problems (ie, the NPP). In most cases, this information is reasonably available at the conclusion of the medical history, which is precisely the point of care where Practical E/M advises physicians to identify the severity of the NPP, and link it to the appropriate level of care warranted by the patient's medical illness(es).

Completing the puzzle is the fact that the CPT codebook description of code 99203 indicates that "usually, the presenting problem(s) are of moderate severity." Therefore, the examples provided for CPT code 99203 represent clinical situations that medical specialty societies have designated as having moderate NPP. Similar relationships can be derived for all the different types of service and levels of care illustrated by the clinical examples in Appendix C.

The introduction to Appendix C concludes with the important insight that 'simply because the patient's complaints, symptoms, or diagnoses match those of a particular clinical example, does not automatically assign that patient encounter to that particular level of service. The three key components (history, examination, and medical decision making) must be met and documented in the medical record to report a particular level of service.'

In summary, the Clinical Examples appendix illustrates the integral relationship of the NPP with the level of care that should be performed, documented, and coded. Practical E/M methodology adopts this integrated approach, recommending that physicians apply their clinical judgment to assess the level of severity of the NPP after obtaining the patient's history. CPT guidelines match the level of NPP chosen for each visit with an appropriate level of care for each of the three key components. Practical E/M advises physicians to use this technique (with the guidance of intelligent medical record [IMR] tools) to ensure that their care, documentation, and coding are all consistent with the level of care warranted by the severity of the patient's illnesses."[7] …….

[7] Practical E/M, Chapter 5, pages 42-43

‘‘The principle of medical necessity also applies to E/M coding. In order for coding to be considered compliant, the level of care (ie, E/M code) submitted must not exceed the level of care that is medically necessary. For example, extensive documentation of the medical history and physical examination during any follow-up visit could be coded (on the basis of the key components alone) to a level 4 or level 5 established patient visit. However, if a patient presents with only a minor problem, such as a small rash or recent mild upper respiratory tract infection, it is compliant for the physician to submit an E/M code for a low level of care. A low-level code would be required in this case regardless of the amount of care documented for the three key components, because only a low level of care is “medically necessary” for the minor nature of the illness……

INTER-RELATING NPP, CODING, CARE, AND DOCUMENTATION: It is helpful to invoke a non-medical analogy to explain how medical necessity (or NPP) can be incorporated into the patient care process to establish an appropriate code level, which then guides the minimum amount of care that is medically indicated for that code. The pole vault track-and-field event provides a metaphor for how we use NPP to ensure compliance in the coding and documentation process. In the pole vault event, the bar is set at a measured height, which in turn sets the level of achievement that will be credited to the athlete for successfully clearing the bar on his or her jump. When we are watching the Olympics, in the preliminary portion of the pole vault event, the bar is set at a relatively low level. For example, let’s assume they start with the height of the bar set at 15 feet above the ground. What happens if an athlete jumps only 13 feet? He does not get credit for jumping 15 feet even though that is the height of the bar. On the other hand, even if he jumps 6 feet over the bar he will only get credit for clearing the measured height of 15 feet. The athlete is allowed to jump as high over the bar as he can, but the amount of credit given is limited by the height of the bar.

In E/M coding, NPP (or medical necessity) sets the height of the bar. That is, it tells us the maximum level of care warranted by the severity of the patient’s illnesses at the time of the visit. Because this is the case, it makes sense that the physician should first consider the NPP after completing the medical history, when he or she has sufficient information to form an initial judgment of the severity of the patient’s illness. In Practical E/M, this approach is effective and reasonable, because the design of the IMR guides the documentation of a comprehensive medical history at the beginning of every visit. This allows the physician to assess the severity of the patient’s illnesses (ie, NPP), and then follow the IMR’s documentation prompts for NPP (which convey the CPT codebook E/M descriptors) to identify the indicated level of care, just as illustrated in the Clinical Examples appendix in the CPT codebook.”[8]

For further details of integrating the NPP concept into physicians’ workflow and diagnostic patient care process, as well as how Intelligent Medical Record designs guide this process, please refer to “Practical E/M,” particularly Chapters 6, 7, and 14. For details of integrating the NPP concept in compliantly designed Electronic Health Records (EHRs), please refer to “Practical EHR.”[9]

[8] Practical E/M, Chapter 6, pages 50 – 52

[9] Levinson, Stephen R., M.D., Practical EHR: Electronic Record Solutions for Compliance and Quality Care, AMA Press, 2008