

## Provider Network Update May 2024

## **Updates to Emergency Department Facility Evaluation and Management Coding Policy**

As part of continuous efforts to ensure accurate facility coding, McLaren Health Plan is updating its current Emergency Department (ED) facility Evaluation and Management (E/M) coding reimbursement policy. These changes will be effective as of July 1, 2024.

Impacted lines of business:

- McLaren Medicaid
- McLaren Medicare Advantage
- McLaren Dual Eligible Special Needs Plan (D-SNP)

These policies focus on outpatient facility ED claims submitted with the following E/M codes:

- (99284, G0383) Level 4
- (99285, G0384) Level 5

Policy updates were developed to reduce inconsistencies in coding accuracy and are based on E/M coding principles created by the Centers for Medicare and Medicaid Services (CMS). CMS guidelines require outpatient facility ED E/M coding follow the intent of CPT® code descriptions and reasonably relate to hospital resource use.

These policies will apply to all outpatient facilities (including freestanding), submitting ED claims with level 4 or 5 E/M codes for members, regardless of participation status in our network.

## **Optum Emergency Department Claim (EDC) Analyzer Tool**

As part of the implementation of these policies and procedures, McLaren Health Plan will begin using the Optum Emergency Department Claim (EDC) Analyzer™ tool. The tool determines appropriate E/M coding levels based on data from the member's claim including:

- Member's presenting problem
- Diagnostic services performed during the stay
- Any patient complicating conditions

To learn more about the EDC Analyzer tool, visit <u>EDCAnalyzer.com</u>.

Providers submitting claims for ED or E/M codes may experience adjustments to level 4 or 5 E/M codes to reflect an appropriate level or may receive a denial, based on the reimbursement structure of their agreement with MHP. Providers will have the opportunity to submit an appeal if they believe a higher-level E/M code is justified, in accordance with contract terms.

Criteria that may exclude outpatient facility claims from these policies include:

- Claims for members who were admitted from the ED or transferred to another health care setting (Skilled Nursing Facility, Long Term Acute Care Hospital, etc.)
- Claims for members who received critical care services (99291, 99292)



- Claims for members under two years of age
- Claims with certain diagnosis codes that when treated in the ED, most often necessitate greater than average resource usage, such as significant nursing time
- Claims for members who expired in the ED

Ultimately, facility coding ensures ED resource utilization is accurately captured and is aligned with the E/M CPT code description for a member visit per CMS guidance.

If you have any questions, concerns or would like training on how to use the McLaren CONNECT provider portal, contact your <u>Provider Relations Representative</u> at 888-327-0761 (TTY: 711) for assistance or visit <u>mclarenhealthplan.org</u>.

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