

# Documentation and Coding: Medical Decision Making (MDM)

Created February 2021

At Healthfirst, we are committed to helping providers accurately document and code their patients' health records. This tip sheet is intended to assist providers and coding staff with the documentation and ICD-10-CM selection on services submitted to Healthfirst. It provides information from industry sources about proper coding practice. However, this document does not represent or guarantee that Healthfirst will cover and/or pay for services outlined. Coverage decisions are based on the terms of the applicable evidence of coverage and the provider's participation agreement. This includes the determination of any amounts that Healthfirst or the member owes the provider.

Proper ICD-10 coding can provide a comprehensive view of a patient's overall health. According to the Centers for Medicare and Medicaid Services (CMS), as of January 1, 2021, **E/M 99201 has been deleted**. This has generated an update to the Medical Decision Making (MDM) definitions concepts, as documentation will be determined by Medical Decision Making or Total Time.

## Medical Decision Making

| 2020  | 2021   |
|---|--|
| <ul style="list-style-type: none"> <li>■ Number of diagnosis or management options</li> <li>■ Amount and/or complexity of data to be reviewed</li> <li>■ Risk of complications and/or morbidity or mortality</li> </ul> | <ul style="list-style-type: none"> <li>■ Number <b>and complexity of problems addressed at the encounter</b></li> <li>■ Amount and/or complexity of data to be reviewed <b>and analyzed</b></li> <li>■ Risk of complications and/or morbidity or <b>mortality of patient management</b></li> </ul> |

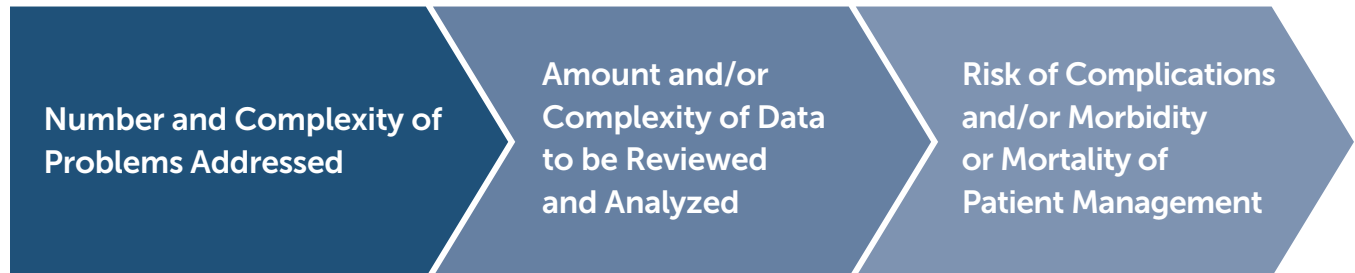
According to CMS, the provider chooses whether the documentation is based on MDM or Total Time.

**Please note: While medically appropriate history and/or examination is required, these elements are not used for determination of code selection.**

## Total Time

| 2020   | 2021  |
|--|---|
| <ul style="list-style-type: none"> <li>■ Limited to time spent with patient</li> <li>■ More than 50% of time needed to be spent on counseling and/or coordination of care</li> </ul> | <ul style="list-style-type: none"> <li>■ Not limited to whether counseling and/or coordination of care dominates the service</li> <li>■ Limited to <b>date of encounter</b></li> <li>■ Includes physician/other qualified health provider face-to-face time and non-face-to-face time</li> <li>■ Prolonged services code available beyond highest total time code (increments of 15 minutes)</li> </ul> |

## The Three Elements of MDM



### Number and Complexity of Problems Addressed

- One element in the level of code selection for an office or other outpatient service is the number and complexity of the problems that are addressed at an encounter.
- Multiple new or established conditions may be addressed at the same time and may affect MDM. Symptoms may cluster around a specific diagnosis, and each symptom is not necessarily a unique condition.
  - Comorbidities/underlying diseases are not considered in selecting a level of E/M services unless they are addressed, and their presence increases the amount and/or complexity of data to be reviewed/analyzed or the risk of complications and/or morbidity or mortality of the patient’s management.
- The final diagnosis for a condition does not in itself determine the complexity or risk, since extensive evaluation may be required to conclude that the signs or symptoms do not represent a highly morbid condition. Multiple problems of a lower severity may, in the aggregate, create higher risk due to interaction.

# Documentation and Coding: Medical Decision Making (MDM)

| Level of Medical Decision Making (MDM) - Based on 2 out of 3 Elements |  |   |  |
|---|--|---|--|
| Level of MDM  | Number and Complexity of Problems Addressed  | Amount and/or Complexity of Data to be Reviewed and Analyzed<br><i>(*Each unique test, order, or document contributes to the combination of 2 or combination of 3 in Category 1 below)</i>  | Risks of Complication and/or Morbidity or Mortality of Patient Management  |
| <b>Straightforward</b>  | <b>Minimal</b> <ul style="list-style-type: none"> <li>1 self-limited or minor problem</li> </ul>   | <b>Minimal or none</b>  | Minimal risk of morbidity from additional diagnostic testing or treatment  |
| <b>Low</b>  | <b>Low</b> <ul style="list-style-type: none"> <li>2 or more self-limited or minor problems; or</li> <li>1 stable chronic illness; or</li> <li>1 acute uncomplicated illness or injury</li> </ul>   | <b>Limited</b> ( <i>must meet the requirements of at least 1 of 2 categories</i> )<br><b>Category 1: Tests and documents</b><br>Any combination of 2 from the following: <ul style="list-style-type: none"> <li>Review of prior external note(s) from each unique source*</li> <li>Review of the result(s) of each unique test*</li> <li>Ordering of each unique test*</li> </ul><br><b>Category 2: Assessment requiring independent historian(s)</b><br><i>(For the categories of independent interpretation of tests and discussion of management or test interpretation, see moderate or high)</i>   | Low risk of morbidity from additional diagnostic testing or treatment  |
| <b>Moderate</b>   | <b>Moderate</b> <ul style="list-style-type: none"> <li>1 or more chronic illnesses with exacerbation, progression, or side effects of treatment</li> <li>2 or more stable chronic illnesses</li> <li>1 undiagnosed new problem with uncertain prognosis; or</li> <li>1 acute illness with systemic symptoms (e.g., pyelonephritis); or</li> <li>1 acute complicated injury (e.g., bladder injury)</li> </ul> | <b>Moderate</b> ( <i>*Must meet the requirements of at least 1 out of 3 categories</i> )<br><b>Category 1: Tests, documents, or independent historian(s)</b><br>Any combination of 3 from the following: <ul style="list-style-type: none"> <li>Review of prior external note(s) from each unique source*</li> <li>Review of the result(s) of each unique test*</li> <li>Ordering of each unique test*</li> <li>Assessment requiring independent historian(s)</li> </ul><br><b>Category 2: Independent interpretation of tests</b> <ul style="list-style-type: none"> <li>Performed by another physician or other qualified healthcare professional (not separately reported)</li> </ul><br><b>Category 3: Discussion of management or test interpretation</b> <ul style="list-style-type: none"> <li>Done with external physician, other qualified healthcare professional, or appropriate source (not separately reported)</li> </ul> | Moderate risk of morbidity from additional diagnostic testing or treatment<br><b>Examples:</b> <ul style="list-style-type: none"> <li>Prescription drug management</li> <li>Decision regarding minor surgery with identified patient or procedure risk factors</li> <li>Decision regarding elective major surgery without identified patient or procedure risk factors</li> <li>Diagnosis or treatment significantly limited by social determinants of health</li> </ul> |

# Documentation and Coding: Medical Decision Making (MDM)

## Level of Medical Decision Making (MDM) - Based on 2 out of 3 Elements (Continued)

| Level of MDM | Number and Complexity of Problems Addressed   | Amount and/or Complexity of Data to be Reviewed and Analyzed<br>(*Each unique test, order, or document contributes to the combination of 2 or combination of 3 in Category 1 below)  | Risks of Complication and/or Morbidity or Mortality of Patient Management   |
|--------------|---|--|---|
| High         | <p><b>High</b></p> <ul style="list-style-type: none"> <li>■ 1 or more chronic illnesses with severe exacerbation, progression, or side effects of treatment; or</li> <li>■ 1 acute or chronic illness or injury that poses a threat to life or bodily function</li> </ul> | <p><b>Extensive</b> (<i>*Must meet the requirements of at least 2 out of 3 categories</i>)</p> <p><b>Category 1: Tests, documents, or independent historian(s)</b><br/>Any combination of 3 from the following:</p> <ul style="list-style-type: none"> <li>■ Review of prior external note(s) from each unique source*</li> <li>■ Review of the result(s) of each unique test*</li> <li>■ Ordering of each unique test*</li> <li>■ Assessment requiring independent historian(s)</li> </ul> <p><b>Category 2: Independent interpretation of tests</b></p> <ul style="list-style-type: none"> <li>■ Performed by another physician or other qualified healthcare professional (not separately reported)</li> </ul> <p><b>Category 3: Discussion of management or test interpretation</b></p> <ul style="list-style-type: none"> <li>■ Done with external physician, other qualified healthcare professional, or appropriate source (not separately reported)</li> </ul> | <p>High risk of morbidity from additional diagnostic testing or treatment</p> <p><b>Examples:</b></p> <ul style="list-style-type: none"> <li>■ Drug therapy requiring intensive monitoring for toxicity</li> <li>■ Decision regarding elective major surgery with identified patient or procedure risk factors</li> <li>■ Decision regarding emergency major surgery</li> <li>■ Decision regarding hospitalization</li> <li>■ Decision to not resuscitate or to de-escalate care because of poor prognosis</li> </ul> |

## Questions?

Contact us at [@Risk\\_Adjustments\\_and\\_clinical\\_Documentation@healthfirst.org](https://twitter.com/Risk_Adjustments_and_clinical_Documentation).

For additional documentation and coding guidance, please visit the Coding section at [hfproviders.org](https://www.healthfirst.org/hfproviders).

**References: AMA Code and Guideline Changes, Effective January 1, 2021**

**Proposed Policy, Payment, and Quality Provisions Changes to the Medicare Physician Fee Schedule for Calendar Year 2021**