Workers' Comp

The Compliance Corner: New Physical Therapy Evaluation Codes for 2017: Moving Toward Value Based Payment

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5 MIN READ
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The American Medical Association (AMA) shook up the Property and Casualty industry by bringing a big change to the 2017 Current Procedural Terminology (CPT) code set. Two very familiar CPT codes, 97001 Physical Therapy (PT) Evaluation and 97002 Physical Therapy Re-evaluation were deleted effective January 1, 2017. The change was brought about because these codes were felt to provide minimal detail regarding the severity of a patient's condition and the complexity of medical decision making that is required for evaluation. As a result, four new physical therapy evaluation codes have been established.

Code	Description	CMS RVU
97161	**PHYSICAL THERAPY EVALUATION: LOW COMPLEXITY**, requiring these components: A history with no personal factors and/or comorbidities that impact the plan of care; An examination of body system(s) using standardized tests and measures addressing 1–2 elements from any of the following: body structures and functions, activity limitations, and/or participation/restrictions; A clinical presentation with stable and/or uncomplicated characteristics; and Clinical decision making of low complexity using standardized patient assessment instrument and/or measurable assessment of functional outcome. Typically, 20 minutes are spent face-to-face with the patient and/or family.	1.20
96162	**PHYSICAL THERAPY EVALUATION: MODERATE COMPLEXITY**, requiring these components: A history of present problem with 1–2 personal factors and/or comorbidities that impact the plan of care; An examination of body systems using standardized tests and measures in addressing a total of 3 or more elements	

from any of the following: body structures and functions, activity limitations, and/or participation restrictions; An evolving clinical presentation with changing characteristics; and Clinical decision making of moderate complexity using standardized patient assessment instrument, and/or measurable assessment of functional outcome. Typically, 30 minutes are spent face-to-face with the patient and/or family.

1.20

97163

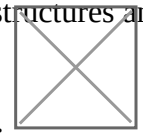
PHYSICAL THERAPY EVALUATION: HIGH COMPLEXITY, requiring these components: A history of present problem with 3 or more personal factors and/or comorbidities that impact the plan of care; An examination of body systems using standardized tests and measures addressing a total of 4 or more elements from any of the following: body structures and function, activity limitations, and/or participation restrictions; A clinical presentation with unstable and unpredictable characteristics; and Clinical decision making of high complexity using standardized patient assessment instrument and/or measurable assessment of functional outcome. Typically, 45 minutes are spent face-to-face with the patient and/or family.

1.20

97164

RE-EVALUATION OF PHYSICAL THERAPY established plan of care, requiring these components: An examination including review of history and use of standardized tests and measures is required; and Revised plan of care using a standardized patient assessment instrument and/or measurable assessment of functional outcome. Typically, a 20 minutes are spent face-to-face with the patient and/or family.

0.75

Immediately noticeable is the similarity of the new PT Evaluation codes to Evaluation and Management (E/M) services. These codes have the “look and feel” of E/M codes, right down to the tiered selection of low, moderate or high complexity, and typical times required to perform the service(s). The American Medical Association (AMA) states that this new structure allows for greater specificity of a patient’s history and clinical presentation, as well as medical decision making required for the evaluation. Despite the similarity, it is important to remember that though the elements or concepts of history, examination and decision making may be similar to E/M services, the AMA instructs users that the definitions that are listed in the E/M sections (ie, history, examination types) are NOT to be used to determine the appropriate selection. Any pertinent definitions for the new PT Evaluation codes, including body regions, body systems, body structures and personal factors are provided in the CPT 2017 Physical Medicine and Rehabilitation section.  Another glaringly noticeable item is the CMS (Centers for Medicare and Medicaid Services) Relative Value Units (RVU) assigned to the new PT Evaluation codes. The American Physical Therapy Association (APTA) recommended a tiered fee schedule to reflect the new code structure. However, CMS did not accept the recommendation, holding in its final rule, to the original proposal for a single payment value, which did not change from the 1.20 value for the old 97001 code. CMS did adjust the value of the new re-evaluation code from 0.60 to 0.75. So why is the RVU value the same for three different codes of increasingly higher complexities? One word—up-coding – and potential fraud. In their final ruling, CMS stated, “we are concerned that the coding stratification in the PT and Occupational Therapy (OT) evaluation codes may result in up-coding incentives, especially while physical and occupational therapists gain familiarity and expertise in the differential coding of the new PT and OT evaluation codes that now include the typical face-to-face times and new required components that are not enumerated in the current codes. We are also concerned that stratified payment rates may provide, in some cases, a payment incentive to therapists to up-code to a higher complexity level than was actually furnished to receive a higher payment.“ After all, who wouldn’t want to use the higher complexity code if it means a bigger payout? CMS went on to state that “assessment for each family of codes is dependent on the accuracy of the utilization forecast for the different complexity levels within the PT or OT family.”

APTA initially projected that the moderate complexity PT evaluation code, CPT 97162, would be reported 50 percent of the time as it seems to represent a “typical” evaluation. The low and high complexity codes (97161 and 97163) were each projected to be reported 25 percent of the time. Will this be the way it works out? CMS plans to collect utilization data on the new PT Evaluation codes during 2017 for analysis on which possible future changes in payment policy might be based. Therefore, the impetus is on physical therapists to be as thoughtful and accurate as possible in the selection of an evaluation code.

> PT Evaluations now require the following components in selecting the correct evaluation level—History, Examination, Clinical Presentation and Clinical Decision Making.

Despite the effort of CMS to maintain “work neutrality” by maintaining the single payment value, the changes to the CPT code set are definitely a step in the right direction towards a value-based payment for physical therapy evaluations. PT Evaluations now require the following components in selecting the correct evaluation level—history, examination, clinical presentation and clinical decision making. Other factors include coordination, consultation, and collaboration of care consistent with the clinical presentation of the patient. Documentation of these elements will ensure proper valuation in the future.

Sources: 1. CPT 2017 Changes: An Insider’s View 2. New Physical Therapy Evaluation and Reevaluation CPT Codes. APTA. Web. 3. Federal Register / Vol. 81, No. 136 / Friday, July 15, 2016 / Proposed Rules 4. APTA Physical Therapy Evaluation Reference Table 5. MLN Matters Number: MM9782

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