

**AUTOMATIC DOWNCODING
PRESENTED BY
DR. RAY CALLAS, TMA PRESIDENT**

**RESOLUTION 714 AND SUPPORTING RESOLUTION
715**

AUTOMATIC DOWNCODING

INSURERS ARE REQUIRED TO MONITOR FOR FRAUD AND ABUSE BY REVIEWING PHYSICIAN E & M CODING PATTERNS

IF PHYSICIAN OUTLIER IS IDENTIFIED, BY CONSISTENTLY USING LEVEL 4 AND 5 E & M CODES, INSURERS COULD EITHER HOLD PAYMENT UNTIL PATIENT RECORDS WERE SENT OR AUTOMATICALLY DOWNCODE.

AN OUTLIER BEING A PHYSICIAN WHO CONSISTENTLY CODES MORE THAN HIS PEERS AT LEVEL 4 AND 5 E & M FOR SAME DIAGNOSIS.

AUTOMATIC DOWNCODING

IT IS REASONABLE THAT A CLAIM MAY BE DOWNCODED BASED ON POOR MEDICAL DOCUMENTATION PER PATIENT RECORDS REVIEW.

HOWEVER, IN THIS CASE, DOWNCODING OCCURS SOLELY BASED ON DIAGNOSIS DOCUMENTED ON CLAIMS. THIS DOWNCODING IS DONE WITHOUT ANY FURTHER EVALUATION. YOUR EOB SHOWS CLAIM TO BE PAID AT LOWER LEVEL WITHOUT EXPLANATION. REMARK CODE MAY STATE THAT PAYMENT HAS BEEN REDUCED BY CONTRACTUAL AGREEMENT.

UNLESS YOU KNOW WHAT EXACT DOLLAR AMOUNT YOU BILLED FOR SPECIFIC E & M CODE AND WHAT YOUR ALLOWED PAYMENT IS, YOU MAY NEVER RECOGNIZE THAT THERE WAS REDUCTION IN PAYMENT.

AUTOMATIC DOWNCODING

THIS PRACTICE HAS BEEN GOING ON FOR MANY YEARS AND WAS RECOGNIZED IN 2002 ON AN AMA BOT REPORT ON AMA LEGAL THEORIES REGARDING DOWNCODING.

TEXAS BROUGHT RESOLUTION 716 IN 2019. AT THAT TIME AMA POLICY WAS REAFFIRMED AND NO ACTION WAS TAKEN.

THIS PRACTICE BY INSURERS CONTINUES TO GROW AND IT IS IMPOSSIBLE TO ESTIMATE THE COST AND LOSS TO PHYSICIAN PRACTICES. THIS PRACTICE HAS BEEN NOTED WITH AETNA, CIGNA, WELLCARE AND UHC.

TO THEIR DETREMENT, MANY PHYSICIANS UNDERCODE VISITS DUE TO FEAR OF CMS/INSURER AUDIT WHICH IS ALSO A LOSS FOR PHYSICIANS.

RESOLUTION 716 FROM AMA ANNUAL 2019

716. HEALTH PLAN CLAIM AUDITING PROGRAMS

Introduced by Texas

Considered on reaffirmation calendar. HOUSE ACTION: POLICIES H-285.998, H-320.939, H-320.948, H-330.921 AND D-70.971 REAFFIRMED IN LIEU OF FOLLOWING RESOLUTION

RESOLVED, That our American Medical Association vigorously oppose the exclusive use of software or other methodologies, with no review of the patient's medical record, to determine payment and/or denial of a claim based solely on the CPT codes, ICD-10 codes, and modifiers submitted on the claim; and be it further

RESOLVED, That our AMA vigorously oppose the exclusive use of the patient's medical claim history, with no review of the patient's medical record, as a tool to deny or pay a claim; and be it further

RESOLVED, That our AMA vigorously support the use of coding methods that adhere to CPT guidelines, rules, and conventions.

AUTOMATIC DOWNCODING-WELLCARE POLICY (2019)

Overview of WellCare's E&M Program:

- Evaluates and reviews high-level E&M services for high-coding practitioners, which appear to have been incorrectly coded based upon diagnostic information that appears on the claim, and peer comparison.
- Applies the relevant E&M policy and recoding of the claim line to the proper E&M level of service.
- Allows reimbursement at the highest E&M service code level for which the criteria is satisfied based on our risk adjustment process.

AUTOMATIC DOWNCODING- AETNA POLICY- (EFFECTIVE JULY, 2024)

AETNA WILL REVIEW PHYSICIAN AND FACILITY CLAIMS FOR ER SERVICES AND WILL EVALUATE THE PROPER USE OF THE LEVEL 4 AND 5 E & M CODING THAT IS SUBMITTED. THEY MAY ADJUST YOUR PAYMENT IF THE CLAIM DETAILS DON'T SUPPORT THE LEVEL OF SERVICE BILLED.

THIS POLICY SPECIFICALLY STATES ER SERVICES BUT NOTHING TO SAY IT COULD NOT BE APPLIED TO OTHER GROUP/SOLO PRACTICES.

RESOLUTION 714 REF. COMM. G

ASKS FOR AMA SUPPORT TO PREVENT AUTOMATIC DOWNCODING, TRANSPARENCY ON THE METHODOLOGY OF PROCESSING CLAIMS AND THAT ONLY REVIEW OF MEDICAL DOCUMENTATION BE THE BASIS FOR ANY DOWNCODING THAT MAY BE NEEDED.

ASKS AMA TO EVALUATE LEGISLATIVE AND/OR LEGAL REMEDY IS PREVENT AUTOMATIC DOWNCODING BY INSURERS.

AMA DOES HAVE EDUCATIONAL PROGRAM “**PAYER EVALUATION AND MANAGEMENT (E/M) DOWNCODING PROGRAMS**” FOR MORE INFORMATION ON HOW TO MONITOR AND DOCUMENT TO PREVENT DOWNCODIING

AUTOMATIC DOWNCODING

- RESOLUTION 715- SUPPORTING RESOLUTION FOR RES. 714
- ASKS AMA TO SUPPORT REQUIRING INSURERS AND THEIR 3RD PARTY PARTNERS TO PROVIDE A NO-COST, SECURE PORTAL BY WHICH PHYSICIANS CAN SEND MEDICAL RECORDS ELECTRONICALLY
- (VS THE COST OF MAILING).
- ALSO TO BE SUPPORTED BY NEW LEGISLATION IF POSSIBLE
- ASKS AMA TO SUPPORT THE ABILITY TO TRACK STATUS OF MEDICAL RECORD REQUESTS AS WELL

AUTOMATIC DOWNCODING

- I WISH TO THANK HARRIS COUNTY MEDICAL SOCIETY AND PARTICULARLY, APRIL A. BELLARD, MHA DIRECTOR OF PAYMENT ADVOCACY AND PRACTICE MANAGEMENT FOR HER RESEARCH ON THIS RESOLUTION, INCREDIBLE KNOWLEDGE AND GUIDANCE ON GETTING THIS RESOLUTION TO AMA.
- SLIDE PRESENTATION PREPARED BY ELIZABETH TORRES , MD FACP