MLN Matters
Information for Medicare Fee-for-Service Health Care Professionals

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Implementation Date: January 3, 2005

MMA - Initial Preventive Physical Examination

Note: This article was updated on May 9, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Physicians, providers, and suppliers

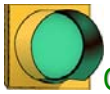
Provider Action Needed

STOP – Impact to You

Effective for dates of service on or after January 1, 2005, Section 611 of the Medicare Modernization Act provides for coverage under Part B of an initial preventive physical examination (IPPE) for new Medicare beneficiaries, but only if the beneficiary's eligibility also begins on or after January 1, 2005

CAUTION – What You Need to Know

This new benefit is subject to certain eligibility and other limitations as described in this article.



GO – What You Need to Do

Understand the new rules for providing this important new benefit to ensure prompt and accurate payment for services.

Background

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA Section 611) provides for coverage under Medicare Part B of an initial preventive physical examination (IPPE), including a screening electrocardiogram (EKG) for new beneficiaries (subject to certain eligibility and other limitations) effective for services furnished on or after January 1, 2005.

In addition, pursuant to final regulations published on November 15, 2004 (42 CFR 410.16, added by 69 FR 66236, 66420) CMS amended 42 CFR sections 411.15 (a)(1) and 411.15 (k)(11) to allow payment for an IPPE not later than 6 months after the date the beneficiary's first coverage period begins under Medicare Part B.

This physical examination is a once-a-lifetime benefit for a beneficiary and it must be performed within six months after the effective date of the beneficiary's first Part B coverage, but only if such Part B coverage begins on or after January 1, 2005. A physical examination given on January 10, 2005, for example, to a beneficiary whose Medicare Part B was effective initially on December 1, 2004 would not be covered under this benefit. If a beneficiary is first covered by Part B on January 1, 2005, then a physical provided on January 10, 2005 would be covered by this new benefit.

This provision provides for payment for an IPPE examination to be performed in various provider settings by:

- Physicians, or
- Qualified non-physician practitioners (NPPs).

Services Included in the Initial Examination

The initial examination means all of the following services:

- Review of an individual's medical and social history, with attention to modifiable risk factors for disease detection, including past medical and surgical history, such as experiences with illnesses, hospital stays, operations, allergies, injuries and treatments, current medication and supplements, family history (including diseases that may be hereditary or place the individual at risk), history of alcohol, tobacco, and illicit drug use, diet, and physical activities;
- Review of an individual's potential (risk factors) for depression, including current or past experiences with depression or other mood disorders, based on the use of an appropriate screening instrument for persons without a current diagnosis of depression, which the physician or other qualified NPP may select from various available standardized screening tests designed for this purpose and recognized by national professional medical organizations;
- Review of the individual's functional ability and level of safety based on the use of appropriate screening questions or a screening questionnaire, which the physician or other qualified NPP may select from various available screening questions or standardized questionnaires designed for this purpose and recognized by national professional medical organizations, including, at a minimum, a review of hearing impairment, activities of daily living, falls risk, and home safety;
- An examination to include measurement of the individual's height, weight, blood pressure, a visual acuity screen, and other factors as deemed appropriate by the physician or qualified NPP, based on the individual's medical and social history (refer to service element 1) and current clinical standards;
- Performance and interpretation of an EKG;
- Education, counseling, and referral as deemed appropriate by the physician or qualified NPP, based on the results of the review and evaluation services described in the previous five elements;

- Education, counseling, and referral, including a brief written plan (e.g., a checklist or alternative) provided to the individual for obtaining the appropriate screening and other preventive services, which are covered separately under Medicare Part B. These include: (1) pneumococcal, influenza, and hepatitis B vaccines and their administration; (2) screening mammography; (3) screening pap smear and screening pelvic examinations; (4) prostate cancer screening tests; (5) colorectal cancer screening tests; (6) diabetes outpatient self-management training services; (7) bone mass measurements; (8) screening for glaucoma; (9) medical nutrition therapy for individuals with diabetes or renal disease; (10) cardiovascular screening blood tests; and (11) diabetes screening tests.

A new Healthcare Common Procedure Coding System (HCPCS) code, G0344 (IPPE; face-to-face visit, services limited to new beneficiary during the first six months of Medicare enrollment), will be used for billing the IPPE. As required by statute, this benefit always includes a screening EKG, which should be billed appropriately using new HCPCS codes G0366 (Electrocardiogram, routine ECG with 12 leads; performed as a component of the initial preventive examination with interpretation and report) for the full EKG service ; G0367 (tracing only, without interpretation and report; performed as a component of the initial preventive examination) when only the tracing is performed; and G0368 (interpretation and report only, performed as a component of the initial preventive examination) when only the interpretation and report are performed. These three codes reflect the global, technical, and professional components of the screening EKG, respectively.

If the primary physician or qualified NPP does not perform the EKG during the IPPE visit, another physician or entity may perform and/or interpret the EKG. But, the referring provider must ensure that the performing provider bills the appropriate G code for the screening EKG and not a CPT code in the 93000 series.

Physicians and qualified NPPs should bill G0366 for the full EKG service (tracing, interpretation, and report), or G0367 when only the tracing is performed, or G0368 when only the interpretation or reporting is performed. Hospitals can only perform the EKG tracing, so they should bill G0367 when they perform the tracing component of the EKG.

While some components for a medically necessary evaluation and management (E/M) service will be reflected in the new HCPCS code of G0344, Medicare will, when it is clinically appropriate, allow payment for a medically necessary E/M service (CPT codes 99201-99215) at the same visit as the IPPE. That portion of the visit must be medically necessary to treat the patient's illness or injury or to improve the function of a malformed body member and will be reported with modifier –25.

A physician or qualified NPP, in various provider settings, may bill for the screening and other preventive services currently covered and paid by Medicare Part B under separate provisions of section 1861 of the Act, if provided during this IPPE.

The MMA did not make any provision for the waiver of Medicare coinsurance and Part B deductible for the IPPE. Payment for this service would be applied to the required deductible, which is $110 for calendar year 2005, if the deductible has not been met, with the exception of Federally Qualified Health Centers (FQHCs), and the usual coinsurance provisions would apply.

Special Instructions for Rural Health Clinics (RHCs)/FQHCs

- RHCs/FHQCs should follow normal procedures for billing for RHC/FQHC services. Payment for the professional services will be made under the all-inclusive rate and the payment should be requested on a type of bill 71x (RHC) or 73x (FQHC) with revenue code 052x. Encounters with more than one health professional and multiple encounters with the same health professionals that take place on the same day and at a single location constitute a single visit.
- Medicare will pay for the technical component of the IPPE EKG performed in provider-based RHCs/FQHCs when billed under the base provider's number using the above requirements for that particular base provider type. Medicare will pay for the technical component of the IPPE EKG performed in independent RHCs/FQHCs when billed by the practitioner to its carrier, when billed in accordance with the information provided in this article for practitioners.

Maryland Hospitals

Maryland hospitals will be paid for an IPPE, on both an inpatient and an outpatient basis, in accordance with the Maryland State Cost Containment Plan.

Critical Access Hospitals (CAHs)

CAHs billing on type of bill 85x will be paid on a reasonable cost basis for the IPPEs and the EKGs.

Indian Health Service (IHS) Hospitals

IHS hospitals will be paid on the all-inclusive rate for the IPPE and/or EKG and should bill using type of bill 13x with revenue code 051x.

Additional Information

Chapter 18, Section 80 (Initial Preventive Physical Examination), and Chapter 12, Section 30.6.1.1 (Initial Preventive Physical Examination) of the Medicare Claims Processing Manual (Pub 100-04) are new and included in the official instruction issued to your carrier/intermediary. That official instruction can be found by going to ***http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R417CP.PDF*** on the CMS website.

If you have any questions, please contact your carrier or intermediary at their toll-free number, which may be found at ***http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html*** on the CMS website.