CMS Responses to Questions from the July 21st
"ABCs of the Initial Preventive Physical Examination & the Annual Wellness Visit"
National Provider Call

The following are questions received as part of the 7/21/2011 "ABCs of the Initial Preventive Physical Examination and the Annual Wellness Visit" National Provider Call. These questions were either received during the call that required CMS staff to conduct research in order to provide an answer or were questions frequently asked via email subsequent to the call.

1) Do coinsurance and deductible apply to Medicare's preventive services?

In most cases, coinsurance and deductible do not apply to Medicare's preventive services. Section 4104 of the *Affordable Care Act* states that (effective for dates of service on or after January 1, 2011) Medicare will provide 100 percent payment (in other words, will waive any coinsurance or copayment) for the Initial Preventive Physical Examination (IPPE), the Annual Wellness Visit (AWV), and for those preventive services that:

- Are identified with a grade of A or B by the United States Preventive Services Task Force (USPSTF) for any indication or population; and
- Are appropriate for the individual.

The table in CR7012 provides a complete list of the Healthcare Common Procedure Coding System (HCPCS) codes that are defined as preventive services under Medicare and also identifies the HCPCS codes for the IPPE and the AWV. CR7012 is available at http://www.cms.gov/Transmittals/downloads/R864OTN.pdf.

Also, it is important to note, that while the *Affordable Care Act* waives the Part B deductible for colorectal cancer screening tests that become diagnostic, coinsurance and deductible will apply for all other preventive screening tests that become diagnostic.

2) How should facilities that use single line billing (such as rural health clinics), bill for the Initial Preventive Physical Examination (IPPE) and Annual Wellness Visit (AWV)? How will the facility's reimbursement be affected?

Preventive services are part of the overall encounter visit at Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs). RHCs and FQHCs must provide detailed Healthcare Common Procedure Coding System (HCPCS) coding and revenue codes for preventive services to ensure coinsurance and deductible are not applied.

When the Annual Wellness Visit (AWV), as well as other preventive services, is rendered along with other services in the same visit (also known as a face-to-face encounter):

- The services reported under the first revenue line will receive an encounter/visit. Payment will be based on the all-inclusive rate; coinsurance and deductible will be applied.
- An additional line with the appropriate site of service revenue code in the 052X series should be submitted with the approved preventive service HCPCS code and the associated charges

    - The qualified preventive service reported on the second revenue line will not receive payment, as payment is made under the all-inclusive rate for the services reported on the first revenue line. Coinsurance and deductible are not applicable.

However, this does not apply to the Initial Preventive Physical Examination (IPPE), individual Diabetes Self Management (DSMT) and individual Medical Nutrition Therapy (MNT) as these services receive an additional payment at the all-inclusive rate when billed with other services. Revenue code 052 must be reported to avoid deductible and coinsurance, where applicable. See below:

- IPPE can be billed by FQHCs and RHCs, deductible and coinsurance waived
- DSMT can be billed by FQHCs, deductible is waived, coinsurance applies
- MNT can be billed by FQHCs, deductible and coinsurance waived

When preventive services (including AWV and IPPE) are the only services rendered during the visit (also known as a face-to-face encounter):

- Report the appropriate site of service revenue code (052X) with the preventive service HCPCS code(s) under the first revenue line.
- These services, reported under the first revenue line, will receive an encounter/visit.
- Coinsurance and deductible are not applicable.

Note: For vaccines, RHCs/FQHCs do not report charges for influenza virus or pneumococcal pneumonia vaccines. Costs for the influenza virus or pneumococcal pneumonia vaccines are included in the cost report and no line items are billed. Neither co-insurance nor deductible apply to either of these vaccines.

Hepatitis B vaccine is included in the encounter rate. The charges of the vaccine and its administration can be included in the line item for the otherwise qualifying encounter. **An encounter cannot be billed if vaccine administration is the only service the RHC/FQHC provides.**

3) Can Physician Assistants provide an Initial Preventive Physical Examination (IPPE) or Annual Wellness Visit (AWV) to new patients or only established patients?

Yes, a physician assistant may furnish an Initial Preventive Physical Examination (IPPE) or an Annual Wellness Visit (AWV). Patient status within a physician's office (whether the beneficiary is a new or an established patient) is not specifically addressed in the coverage criteria for the Initial IPPE, also known as the Welcome to Medicare Visit, or the AWV. Medicare Part B covers a one-time Welcome to Medicare visit for new Medicare beneficiaries that are within the first 12 months of Part B enrollment. Medicare Part B covers an Annual Wellness Visit for beneficiaries who have had Part B for longer than 12 months.

4) Are Physician Assistants and Nurse Practitioners subject to the incident-to rules for the Initial Preventive Physical Examination (IPPE) or Annual Wellness Visit (AWV) or will they be reimbursed at the full payment rate?

No. The Initial Preventive Physical Examination (IPPE) and Annual Wellness Visit (AWV) have their own respective benefit categories. Therefore, they do not fall under the incident to benefit category under section 1861(s)(2)(A) of the Act.

5) What is the definition for "direct supervision"?

"Direct Supervision" means that a physician must be present in the office suite and immediately available to furnish assistance and direction throughout the performance of the procedure. However, the AWV is not subject to "incident to" rules. Therefore, where a wellness visit is performed by a "team of medical professionals working under the supervision of a physician" it is the supervising physician who will bill Medicare Part B for the visit.

6) What diagnosis code should be used for the Initial Preventive Physical Examination (IPPE)?

A diagnosis code must be reported, however, CMS does not require a specific diagnosis code for the Initial Preventive Physical Examination (IPPE). Therefore, providers can choose any appropriate diagnosis code.

7) What diagnosis code should be used for the Annual Wellness Visit (AWV)?

A diagnosis code must be reported, however, CMS does not require a specific diagnosis code for the Annual Wellness Visit (AWV). Therefore, providers can choose any appropriate diagnosis code.

8) Can you bill for other preventive services along with the Initial Preventive Physical Examination (IPPE) or Annual Wellness Visit (AWV) on the same date of service?

The Initial Preventive Physical Examination (IPPE) and the Annual Wellness Visit (AWV) do not include other preventative services that are currently covered and paid under Section 1861 of the Social Security Act. Medicare allows for additional preventative services to be furnished in the same visit as an IPPE or an AWV and, when a practitioner furnishes preventive services in conjunction with an IPPE or an AWV, billing and payment edits will continue to apply to the preventive services. In addition, Section 4104 of the Affordable Care Act waives cost sharing for many preventative services that Medicare covers.

9) If a provider completes the requirements of the Initial Preventive Physical Examination (IPPE) and also completes a comprehensive, noncovered by Medicare, physical exam (at the patient's request) how will CMS address the overlap between these services and bill the beneficiary accordingly?

Noncovered preventive services, including Evaluation and Management (E/M) services, may be furnished with an Initial Preventive Physical Examination (IPPE) visit. However, we would hope that the provider would notify the patient that the additional services are noncovered by Medicare and that the payment for the additional noncovered preventive services will fall to the beneficiary. We further note that noncovered E/M preventive services will have substantial overlap with the service elements furnished in the IPPE visit and that practitioners are responsible for billing appropriately when providing additional noncovered E/M preventive services in conjunction with an IPPE.

10) If a provider completes the requirements of the Annual Wellness Visit (AWV) and also completes a comprehensive, noncovered by Medicare, physical exam (at the patient's request) how will CMS address the overlap between these services and bill the beneficiary accordingly?

Noncovered preventive services, including Evaluation and Management (E/M) services, may be furnished with an Annual Wellness Visit (AWV). However, we would hope that the provider would notify the patient that the additional services are noncovered by Medicare and that the payment for the additional noncovered preventive services will fall to the beneficiary. We further note that noncovered E/M preventive services will have substantial overlap with the service elements furnished in the AWV and that practitioners are responsible for billing appropriately when providing additional noncovered E/M preventive services in conjunction with an AWV.

11) If a provider completes the Annual Wellness Visit (AWV) and a comprehensive, noncovered by Medicare, physical exam, can the provider elect not to bill the patient for the noncovered service?

CMS does not require providers to submit claims for noncovered services provided to a patient, at no charge. However, CMS notes that the decision on whether or not to charge a patient for noncovered Medicare services is at the discretion of each provider.

12) Why do educational materials on www.medicare.gov indicate that the Initial Preventive Physical Examination (IPPE) and Annual Wellness Visit (AWV) are physical exams?

We've clarified the descriptions of the "Annual Wellness" and "Welcome to Medicare" preventive visits for web content and all of our beneficiary publications posted on www.medicare.gov. We've reviewed the website to ensure that all links and sections are updated as well.

13) Why does the Medicare & You Handbook list the Initial Preventive Physical Examination (IPPE) and Annual Wellness Visit (AWV) as physical exams?

The *Medicare & You Handbook* is intended to be a plain English summary of Medicare benefits for general reference for Medicare beneficiaries. Although CMS makes every effort to ensure that all information in the Handbook is clear and accurate, occasionally it becomes clear after distribution that some information may be misleading. The Annual Wellness Visit is accurately described in the 2011 Medicare handbook, but was positioned within the misleading heading of "Physical Exams." This description of the Annual Wellness Visit has been clarified in the 2012 Medicare handbook, which is being printed for mailing in September 2011, as well as in our other beneficiary publications that focus more directly on the Medicare-covered preventive services.

14) Why are 1-800-MEDICARE representatives telling beneficiaries that the Annual Wellness Visit (AWV) is a comprehensive physical exam and that their physician/provider should not be billing for this service?

1-800 MEDICARE CSRs use CMS approved scripts to respond to questions. CMS scripting does not instruct the CSRs to inform the beneficiaries to tell physician/providers not to bill services. Scripting informs the CSRs that Starting January 1, 2011, if the beneficiary has had Medicare Part B for more than 12 months, they can get a yearly wellness exam. The content further states that Medicare wellness visits are at no charge to the patient when the doctor accepts assignment.

15) Can an Electrocardiogram (EKG) and Annual Wellness Visit (AWV) be provided on the same date of service? Why am I getting edits that the EKG is a bundled service?

Generally, providers may provide other medically necessary services on the same date of service as an Annual Wellness Visit (AWV); please note, coinsurance and annual deductible will apply for other medically necessary services. We are looking into the issue of an Electrocardiogram (EKG) being denied as a bundled service on the same date as an AWV was performed.

16) How does a provider know if a patient has received his/her first Annual Wellness Visit (AWV) from another provider and, therefore, know to bill for a subsequent AWV even though this is the first AWV provided by this particular provider?

Providers have different options for accessing Annual Wellness Visit (AWV) eligibility information depending on the jurisdiction in which they reside.

- For example, Medicare Administrative Contractors (MACs) who have Internet portals provide the information through the eligibility screens of the portals.
- The information is also provided through the HIPAA Eligibility Transaction System (HETS), as well as HETS User Interface, or the Common Working File (CWF), through the provider call center Interactive Voice Responses (IVRs).

CMS suggests that providers check with their MAC to see what options are available to check eligibility for the AWV, as well as other preventive services.

17) If a patient never had an Initial Preventive Physical Examination (IPPE), can the Abdominal Aortic Aneurysm (AAA) screening be ordered based on an Annual Wellness Visit (AWV) referral?

No, the Abdominal Aortic Aneurysm (AAA) screening is not a covered service when ordered based on AWV referral. Medicare coverage for a one-time only AAA screening is contingent on the beneficiary meeting certain eligibility requirements, including receiving a referral as a result of an Initial Preventive Physical Examination (IPPE), also known as a the Welcome to Medicare visit.

18) Is the provider required to give the patient anything in writing as a result of the Initial Preventive Physical Examination (IPPE) or Annual Wellness Visit (AWV) - such as a checklist? Can this be provided in the electronic health record as long as the patient is made aware?

For the Initial Preventive Physical Examination (IPPE) – We acknowledge that physicians or qualified NPPs may have an alternative mechanism in place to ensure that beneficiaries receive recommended screening and other preventive services that does not provide for a written plan to be provided to the beneficiary. However, the intent of the written plan requirement is to promote and encourage

beneficiary participation in the health care by making them aware, briefly in writing of the screening and prevention services for which they are entitled under the Medicare Part B program.

For the Annual Wellness Visit (AWV) - CMS is taking this question under consideration, but is not able to respond at this time since we are in the middle of the rulemaking process.

19) Can a Home Health provider conduct an IPPE or AWV in the patient's home?

No, a Home Health Agency cannot provide the IPPE or AWV. These services are not billable on institutional types of bill 32x or 34x.

20) Can you clarify the exact timeframe between Annual Wellness Visits (AWVs)? Is it 365 days from the date of the last AWV or 11 months, etc.?

Annual Wellness Visits (AWVs) are covered by Medicare at 12 month intervals. This means that 11 full calendar months must pass after the month in which a beneficiary had received an AWV. Under this method of counting, a beneficiary could receive an AWV at the end of a given month, for example, January 2011, then in the following January 2012, the beneficiary would be eligible for an AWV in the beginning of that month. Therefore 365 days would not need to elapse between visits, provided that 11 full months had passed since the last visit.

Review additional Preventive Services FAQs to learn more about Medicare's preventive services.