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# Provider Compliance Tips for Evaluation and Management (E/M) Services

ICN 909411 September 2016

- Physicians, non-physician practitioners (NPP), coders, and billing staff

## Background

The [Supplementary Appendices for the Medicare Fee-For-Service 2015 Improper Payments Report](#) showed the Medicare Fee-for-Service (FFS) improper payment rate for E/M services was 14.6%, accounting for 9.3% of the overall Medicare FFS improper payment rate for the 2014 Report Period.

## Reasons for Denials

Incorrect coding, for example:

- The provider submitted documentation that supported a different E/M code than the code billed
1. Insufficient documentation, for example:
    - The submitted documentation lacked a physician signature
    - A physician provided services in a setting other than their own office and failed to submit appropriate documentation maintained by a third party (for example, hospital or other facility)
    - Split/shared services where no documentation was made by the physician supporting that the physician performed a substantive portion of the split/shared E/M service

No documentation of the extent and amount of time spent in counseling and/or coordination of care when it is used to qualify for a particular level of E/M service

## To Prevent Denials

Consider the following factors when selecting codes to bill Medicare for E/M services:

- Select the code that best represents the services provided
- In addition to the individual requirements for billing a selected E/M code, in order to receive payment from Medicare, the service must also be considered reasonable and necessary (See the [“Medicare Claims Processing Manual,” Chapter 12, Section 30.6.1](#))

When selecting codes for E/M services, choose codes that best represent the following:

- Patient type (for example, new or established patient)
- Setting/place of service
- The level of service provided based on the extent of the history, the extent of the examination and the complexity of the medical decision making (that is, the number and type of the key components performed)

The [Evaluation and Management Services Guide](#) provides more details on this issue.

Physician/NPP Signature Requirements:

- Services that are provided or ordered must be authenticated by the ordering practitioner
- Signatures are handwritten, electronic, or stamped (stamped signatures are only permitted in the case of an author with a physical disability who can provide proof to a CMS contractor of an inability to sign due to a disability) (See the [“Medicare Program Integrity Manual,” Chapter 3, Section 3.3.2.4](#))
- If signatures are illegible, follow the instructions in [Complying with Medicare Signature Requirements Fact Sheet](#)

## Resources

The following resources will help physicians and other professionals avoid improper payments for E/M services:

For More Information About...	Resource
The Supplementary Appendices for the Medicare Fee-For-Service 2015 Improper Payments Report	<a href="https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/CERT-Reports-Items/Downloads/AppendicesMedicareFee-for-Service2015ImproperPaymentsReport.pdf">https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/CERT-Reports-Items/Downloads/AppendicesMedicareFee-for-Service2015ImproperPaymentsReport.pdf</a>
“Medicare Claims Processing Manual,” Chapter 12, Section 30.6.1	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c12.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c12.pdf</a>
The Evaluation and Management Services Guide	<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/eval-mgmt-serv-guide-ICN006764.pdf">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/eval-mgmt-serv-guide-ICN006764.pdf</a>
“Medicare Program Integrity Manual,” Chapter 3, Section 3.3.2.4	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/pim83c03.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/pim83c03.pdf</a>
Complying with Medicare Signature Requirements Fact Sheet	<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Signature_Requirements_Fact_Sheet_ICN905364.pdf">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Signature_Requirements_Fact_Sheet_ICN905364.pdf</a>

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1995 Documentation Guidelines for Evaluation and Management Services	<a href="https://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnedwebguide/downloads/95docguidelines.pdf">https://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnedwebguide/downloads/95docguidelines.pdf</a>
1997 Documentation Guidelines for Evaluation and Management Services	<a href="https://www.cms.gov/Outreachand-Education/Medicare-LearningNetwork-MLN/MLNEdWebGuide/Downloads/97Docguidelines.pdf">https://www.cms.gov/Outreachand-Education/Medicare-LearningNetwork-MLN/MLNEdWebGuide/Downloads/97Docguidelines.pdf</a>

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“Medicare Claims Processing Manual,” Chapter 12, Section 30.6.1	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c12.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c12.pdf</a>
The Evaluation and Management Services Guide	<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/eval-mgmt-serv-guide-ICN006764.pdf">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/eval-mgmt-serv-guide-ICN006764.pdf</a>
“Medicare Program Integrity Manual,” Chapter 3, Section 3.3.2.4	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/pim83c03.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/pim83c03.pdf</a>
Complying with Medicare Signature Requirements Fact Sheet	<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Signature_Requirements_Fact_Sheet_ICN905364.pdf">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Signature_Requirements_Fact_Sheet_ICN905364.pdf</a>



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