

Medical Necessity

A Physician's Perspective

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Practically Speaking

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- ▶ **Documentation of Medical Necessity**
 - ▶ Number, acuity, severity and duration of problems addressed by physician
 - ▶ **Extent to which comorbidities impact complexity in management of acute clinical conditions**
 - ▶ Context of previous management of same conditions
 - ▶ Number of body areas and organ systems the physician must contend within clinical management
 - ▶ Challenges and complexity of arriving at a diagnosis (es) and development of a reasonable management action plan

Do Your Part

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- ▶ Medical necessity cannot be quantified using a points system. Determining the medically necessary LOS involves many factors and is not the same from patient to patient and day to day. **Medical necessity is determined through a culmination of vital factors, including, but not limited to:**
 - ▶ Clinical judgment
 - ▶ Standards of practice
 - ▶ Why the patient needs to be seen (chief complaint),
 - ▶ Any acute exacerbations/onsets of medical conditions or injuries,
 - ▶ The stability/acuity of the patient,
 - ▶ Multiple medical co-morbidities,
 - ▶ And the management of the patient for that specific DOS

Extending Beyond Diagnoses

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Medical Necessity

- Extends beyond diagnoses

Documentation Requirements

- Conservative therapy
- Previous treatment
- Time frame
- Lab values
- Radiology findings
- Other requirements
- Exception allowance

In a Nutshell

It is the accurate documentation of the services rendered for the patient's needs at the time that determines the level of E & M code to be selected, not the volume of documentation.

This is why the thorough documentation of the patient's condition, the services rendered, and the reason(s) for those services is so important. Time is also not the determining factor in billing of this code.

Medically necessary E/M visits for the diagnosis or treatment of an illness or injury or to improve the functioning of a malformed body member are payable under the fee physician schedule under Medicare Part B.

Medical necessity of E/M services depends upon the condition of the patient, the services required to treat that patient at that time, and are generally expressed in two ways: frequency of services and intensity of services (Current Procedural Terminology (CPT) level.