

Urgent Care

2021 Physician Update

CMS Final Rule

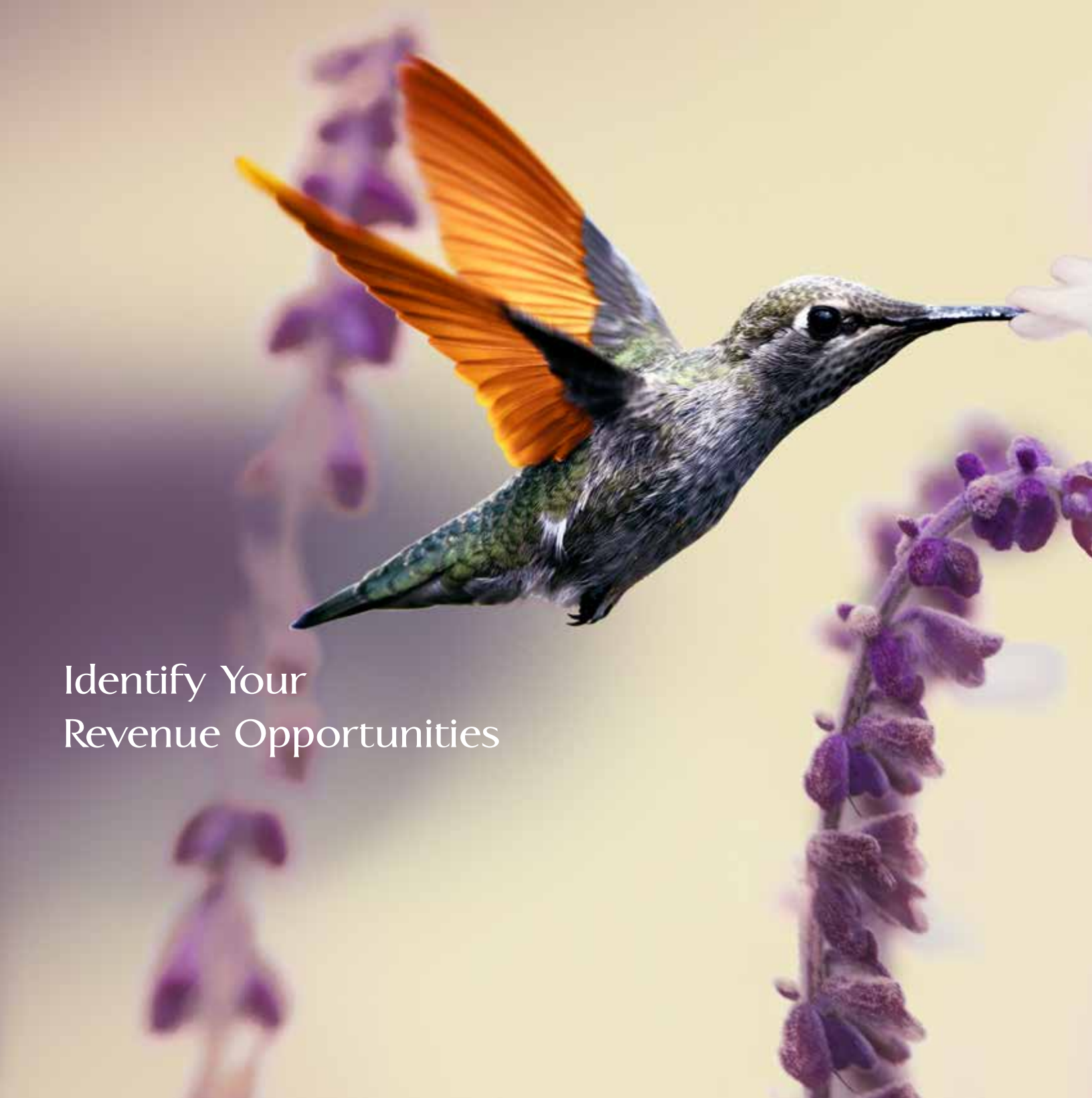
Documentation Guidelines: Major Changes for 2021

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LOGIX TIP #43

There is a 20% difference in RVUs between a 2.5 cm and a 2.6 cm laceration repair.

On December 1, 2020, Medicare released the 2021 Physician Fee Schedule Final Rule. The final rule governs payment rates, as well as other critical reimbursement issues, for dates of service beginning on January 1, 2021. The rule, which is published in the Federal Register can be found on the LogixHealth website, www.logixhealth.com.

Documentation Guidelines: Major Changes for 2021

For the first time since the mid-1990s, the Evaluation and Management (E/M) CPT code set documentation guidelines have been updated for office-based practices, including urgent care centers. In the 2021 Physician Fee Schedule final rule, CMS has stated that they have accepted the guidelines developed by the AMA as published in CPT. The updated E/M guidelines for 2021 have been modified to decrease administrative burden by reducing the need for unnecessary documentation that may not be pertinent to patient care. In the new guidelines, the scoring for each level will be based on the medical decision making or based on time.

Clinicians are very familiar with the long-standing history documentation requirements including the requirement to document specified amounts of HPI, ROS, and PFSH (past, family, and social history). The 2021 guidelines no longer have requirements for specific elements, but rather require a “medically appropriate history and/or exam.”

Please refer to LogixHealth’s Urgent Care E/M Coding and Reimbursement- Physician Documentation Manual for additional details related to the updated 2021 Documentation Guidelines.

2021 Conversion Factor

At the conclusion of 2020, the Medicare conversion factor (the amount Medicare pays per RVU) was set at \$36.0896. The 2021 final rule, as in past years, is subject to “budget neutrality” which while previously an obscure factor working in the background, is becoming increasingly impactful.

“We remind stakeholders that, in accordance with section 1848(c)(2)(B)(ii)(II) of the Act, if revisions to the RVUs under the PFS cause expenditures for the year to change by more than \$20 million, we are statutorily obligated to make budget neutrality adjustments to ensure that expenditures do not increase or decrease by more than \$20 million.”

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As a result, the 2021 final rule published a conversion factor of \$36.0896, representing a roughly \$0.05 increase.

January 1, 2021 through December 31, 2021 Conversion Factor		
Conversion Factor in effect in CY 2020	--	\$36.0896
Final 2021 Conversion Factor	--	\$34.8931

2021 Merit-Based Incentive Payment System (MIPS)

The Merit-Based Incentive Payment System (MIPS) represents a payment mechanism that provides for annual reimbursement adjustments related to quality program requirements impacting 2023 payments based on 2021 performance in four categories:

- Quality
- Cost
- Improvement Activities
- Promoting Interoperability- previously Meaningful Use of an Electronic Health Record (EHR)

For the 2021 performance year (impacting 2023 payments), the four MIPS categories will be simplified for most emergency physicians. The final rule assigned the Cost category a weight of 20% for 2021 (likely increasing to 30% for 2022 as required by statute). In addition, if a provider delivers greater than 75% of their Medicare services in an emergency department, they are excused from the Performance Interoperability category (Meaningful Use of an EHR). The consolidated program is then reweighted in 2020 to 65% Quality (the old PQRS program), 20% Cost, and 15% Improvement Activities. The MIPS quality and value program adjusts physician payments based upon performance. MIPS does not have an aggregate spending target, which is what previously created the need for annual congressional patches to prevent the mandated SGR cuts. The MIPS program started at +/-4% and has now increased to +/-9% for the 2023 payment period (based on 2021 performance).

Evolution of the Federal Quality Payment Program

	2019	2020	2021	2022	2023	2024	2025	2026+
Base	0.25%	0.5%	0.5%	Base Conversion Factor Update of 0.0% each year				0.25%
EHR	(+/-) 4%	(+/-) 5%	(+/-) 7%	+/-9% MIPS				
PQRS								
VM								
MIPS								

2021 Hardship Exception Available

Importantly, due to the COVID-19 pandemic and the Public Health Emergency (PHE), CMS has allowed for a hardship exception related to MIPS reporting for groups that have been significantly impacted by COVID-19. For 2021, groups may apply to have one or more, up to all four categories, of the MIPS reporting categories waived if COVID-19 has prevented them from carrying out all of the usual MIPS required processes.

2021 Geographic Practice Cost Index Update

The geographic practice cost index (GPCI) is used by CMS to modify the RVU values based on regional differences relating to cost of living, malpractice, and practice cost/expense. The GPCI values allow Medicare to adjust reimbursement rates to take into account regional and practice-specific factors. Some states have a permanently fixed GPCI, including Alaska's work GPCI of 1.5 and the frontier states PE GPCI of 1.0 (Montana, Nevada, North Dakota, South Dakota, and Wyoming). Other states are subject to a work RVU GPCI that ranges from 0.6 - 1.2. However, in past years, Congress passed single-year legislation, setting a GPCI work floor of 1.0 which then expired at the end of the year. Congress has now extended the GPCI floor through January 1, 2024.

2021 RVUs for Urgent Care E/M Services

Each year, updated RVUs for physician services are published in the final rule. For 2021, the work and total RVUs for urgent care services showed significant increases.

2021 Urgent Care Non-Facility RVUs

Code	2020 Work RVUs	2021 Work RVUs	2020 PE RVUs	2021 PE RVUs	2020 PLI RVUs	2021 PLI RVUs	2020 Total RVUs	2021 Total RVUs
99201	0.48	NA	0.76	NA	0.05	NA	1.29	NA
99202	0.93	0.93	1.12	1.10	0.09	0.09	2.14	2.12
99203	1.42	1.60	1.48	1.51	0.13	0.15	3.03	3.26
99204	2.43	2.60	1.98	2.04	0.22	0.23	4.63	4.87
99205	3.17	3.50	2.40	2.62	0.28	0.31	5.85	6.43
99211	0.18	0.18	0.46	0.47	0.01	0.01	0.65	0.66
99212	0.48	0.70	0.75	0.88	0.05	0.05	1.28	1.63
99213	0.97	1.30	1.06	1.25	0.08	0.10	2.11	2.65
99214	1.50	1.92	1.45	1.70	0.11	0.14	3.06	3.76
99215	2.11	2.80	1.85	2.24	0.15	0.21	4.11	5.25

2021 Urgent Care Facility-Based RVUs

Code	2020 Work RVUs	2021 Work RVUs	2020 PE RVUs	2021 PE RVUs	2020 PLI RVUs	2021 PLI RVUs	2020 Total RVUs	2021 Total RVUs
99201	0.48	NA	0.22	NA	0.05	NA	0.75	NA
99202	0.93	0.93	0.41	0.41	0.09	0.09	1.43	1.43
99203	1.42	1.60	0.59	0.67	0.13	0.15	2.14	2.42
99204	2.43	2.60	1.01	1.11	0.22	0.23	3.66	3.94
99205	3.17	3.50	1.33	1.54	0.28	0.31	4.78	5.35
99211	0.18	0.18	0.07	0.07	0.01	0.01	0.26	0.26
99212	0.48	0.70	0.20	0.20	0.05	0.05	0.73	1.04
99213	0.97	1.30	0.40	0.40	0.08	0.10	1.45	1.95
99214	1.50	1.92	0.62	0.62	0.11	0.14	2.23	2.88
99215	2.11	2.80	0.89	0.89	0.15	0.21	3.15	4.24



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