

## POCKET GUIDE FOR INPATIENT & OBSERVATION SERVICES

EFFECTIVE JAN 1ST 2023

For providers who may bill professional E/M (MD, NP, PA, etc.)


**E/M level selection may be based on MDM or Time. Resident Time may not be counted. See “Side 2” for MDM Criteria.**

### IP/OBS Daily Rounding

<i>Inpatient &amp; Observation</i>	HCPCS	MDM	TIME
<b>Initial</b>  Attending of record add “Modifier AI” for Inpatient admissions	99221	Sfwd or Low	40 min
	99222	Moderate	55 min
	99223	High	75 min
<b>Subsequent Day</b>	99231	Sfwd or Low	25 min
	99232	Moderate	35 min
	99233	High	50 min

### IP/OBS Consultation\*

<i>Inpatient &amp; Observation</i>	HCPCS	MDM	TIME
<b>Initial Consult</b>	99252	Sfwd	35 min
	99253	Low	45 min
	99254	Moderate	60 min
	99255	High	80 min
<b>Subsequent Visit after Initial Consult</b>	99231	Sfwd or Low	25 min
	99232	Moderate	35 min
	99233	High	50 min

### IP/OBS Discharge

<i>Inpatient &amp; Observation</i>	HCPCS	MDM	TIME
<b>Discharge (on another DOS)</b>	99238	N/A	30 min or less
	99239	N/A	More than 30 min
<b>Same Day Adm &amp; Discharge</b>	99234	Sfwd or Low	45 min
	99235	Moderate	70 min
	99236	High	85 min

\*CMS Back-end Crosswalk: Inpatient 99221-99233 Observation 99202-99215

CMS: Admissions less than 8 hours report only 99221-99223

MDM CRITERIA

Step 1: Calculate Number and Complexity of Problems Addressed at the Encounter (choose highest)

Element	1 self-limited or minor problem <i>(runs a definite or prescribed course, is transient in nature, and is not likely to permanently alter health status)</i>	2 or more self-limited or minor problems; or 1 stable chronic illness <i>(chronic illness which is at treatment goal for the specific patient)</i> ; OR 1 acute, uncomplicated illness or injury <i>(full recovery w/out functional impairment is expected)</i> ; OR Stable, acute illness <i>(treatment newly or recently initiated, resolution may not be complete, but condition stable)</i> ; OR Acute, uncomplicated illness or injury requiring hospital inpatient or observation level care <i>(little to no risk of mortality with treatment, but treatment required is delivered in inpt or obs setting)</i>	1 or more chronic illnesses with exacerbation, progression, or side effects of treatment <i>(requires supportive care or attention to treatment for side effects)</i> ; OR 2 or more stable chronic illnesses; or 1 undiagnosed new problem with uncertain prognosis <i>(likely to result in high risk of morbidity w/out tx)</i> ; OR 1 acute illness with systemic symptoms <i>(illness that causes systemic symptoms and has high risk of morbidity without treatment)</i> ; OR 1 acute complicated injury <i>(level of body systems not part of injured organ, extensive injury, or multiple tx options are multiple and/or associated with risk of morbidity)</i>	1 or more chronic illnesses with severe exacerbation, progression, or side effects of treatment <i>(significant risk of morbidity; may require escalation in level of care)</i> ; OR 1 acute or chronic illness or injury that poses a threat to life or bodily function <i>(in the near term without treatment e.g. AMI, pulmonary embolus, severe respiratory distress psychiatric illness with potential threat to self or others, peritonitis, acute renal failure)</i>
Complexity Level	Minimal	Low	Moderate	High

Step 3: Calculate Risk of Complications and/or Morbidity or Mortality of the Patient Management Decisions Made at Visit (choose highest)

Description	Minimal risk of morbidity from additional diagnostic testing or treatment <b>Examples only</b> • Rest • Gargles • Elastic bandages • Superficial dressings	Low risk of morbidity from additional diagnostic testing or treatment <b>Examples only</b> • OTC drugs • Minor surgery w/no identified risk factors • Physical/Occ therapy	Moderate risk of morbidity from additional diagnostic testing or treatment <b>Examples only</b> • Prescription drug management • Decision regarding minor surgery with identified patient or procedure risk factors • Decision regarding elective major surgery without identified patient or procedure risk factors • Diagnosis or treatment significantly limited by social determinants of health	High risk of morbidity from additional diagnostic testing or treatment <b>Examples only</b> • Parenteral controlled substances (DEA controlled substance given by route other than digestive tract) • Drug therapy requiring intensive monitoring for toxicity • Decision regarding elective major surgery with identified patient or procedure risk factors • Decision regarding emergency major surgery • Decision regarding hospitalization or escalation of hospital level care (i.e. transfer to ICU) • Decision not to resuscitate or to deescalate care because of poor prognosis
Risk Level	Minimal	Low	Moderate	High

Step 2: Calculate Amount and/or Complexity of Data to be Reviewed & Analyzed (choose highest criteria met)

Must meet category requirements specified here	Complexity Level	Minimal	Limited	Moderate	Extensive
		MINIMAL	MEET CATEGORY 1 BELOW	MEET 1 OF 3 CATEGORIES BELOW	MEET 2 OF 3 CATEGORIES BELOW
<b>CATEGORY 1</b> 1. Review of prior external note(s) from each unique source (each unique source counted once, regardless of # of notes reviewed) 2. Review of the result(s) of each unique test 3. Ordering of each unique test (includes review of result, do not count in #2) 4. Assessment requiring an independent historian	Minimal or No Data Reviewed	<b>Category 1:</b> Meet any combination of 2 from items 1-3 Or Meet item 4 (independent historian)	<b>Category 1:</b> Meet any combination of 3 from items 1-4	<b>Category 1:</b> Meet any combination of 3 from items 1-4	<b>Category 1:</b> Meet any combination of 3 from items 1-4
<b>CATEGORY 2:</b> Independent interpretation of tests performed by another physician/other qualified healthcare professional (not separately reported) <i>Do not count independent interpretation for a test billed or ordered by colleague in same specialty</i>			<b>Category 2:</b> Independent interpretation of test	<b>Category 2:</b> Independent interpretation of test	<b>Category 2:</b> Independent interpretation of test
<b>CATEGORY 3:</b> Discussion of management or test interpretation— with external physician/other qualified health care professional/ appropriate source (not separately reported) <i>Requires direct interactive exchange (not via intermediaries or notes)</i>			<b>Category 3:</b> Discussion mgmt., or test interpretation (external)	<b>Category 3:</b> Discussion mgmt., or test interpretation (external)	<b>Category 3:</b> Discussion mgmt., or test interpretation (external)

Step 4 FINAL LEVEL: Using determinations from Steps 1-3, if a column has 2 or 3 selections, draw a line down the column and select the code. Otherwise draw a line down the column with the center selection and select the code.

ELEMENTS	COMPLEXITY LEVEL				
1. Number and Complexity of Problems Addressed	N/A	Minimal	Low	Moderate	High
2. Amount and/or Complexity of Data to be Reviewed and Analyzed	N/A	Minimal or None	Limited	Moderate	Extensive
3. Risk of Complications and/or Morbidity or Mortality of Patient Management	N/A	Minimal Risk	Low Risk	Moderate Risk	High Risk
LEVEL OF MDM <i>→ See Table Page 1 for CPT codes</i>	N/A	STRAIGHTFORWARD	LOW	MODERATE	HIGH

Example 1: Moderate Problems, Limited Data, Moderate Risk = MODERATE (2 of 3 met Moderate)

Example 2: Moderate Problems, Minimal Data, Low Risk = LOW (choose column with center selection).