Evaluation & Management Services and Drug Administration Services

BACKGROUND

As a result of the Medicare Modernization Act of 2003 (MMA), the American Medical Association’s (AMA) Current Procedural Terminology (CPT) Editorial Panel reviewed and revised the drug administration codes. The goal in restructuring the codes was to provide a more complete and accurate description of drug administration services. A comprehensive code set was developed which included codes to report hydration services; therapeutic, diagnostic and prophylactic infusions and injections; and chemotherapy and other highly complex drug or highly complex biologic agent administrations. Once the codes were approved by the AMA CPT Editorial Panel, they were presented to the AMA’s Relative Value Scale Update Committee (RUC) to be valued. The AMA RUC valued the drug administration services based on the amount of physician work and practice expenses (staff time, equipment, and supplies) involved.

OVERVIEW

For the first time, a physician work component was assigned to the drug administration codes in 2004. The inclusion of physician work has created confusion amongst Medicare contractors and private insurers as to what the work actually entails. A common misconception is that the physician work component includes a portion of an evaluation and management service being provided to the patient. Evaluation and management services are face-to-face services provided by the physician directly to the patient and includes key components such as: obtaining patient history, conducting a physical examination and medical decision making. These services are distinctly different and independent of drug administration services, which are generally provided by clinical staff (nurse practitioners, oncology certified nurses) and not the physician.

The work value in a drug administration service represents the physician’s affirmation of a patient’s treatment and the supervision of staff performing the drug administration service. Language in the AMA CPT manual states, “Physician or other qualified health care professional work related to hydration, injection and infusion services predominantly involves affirmation of treatment plan and direct supervision of staff.” Supporting that evaluation and management services are separately distinct services and not a component of the drug administration codes, the AMA CPT manual clarifies that, “If a significant, separately identifiable office or other outpatient Evaluation and Management service is performed, the appropriate E/M service (99201-99215, 99241-99245, 99354-99355) should be reported in addition to 96360-96549). Furthermore, the manual states, “For same day E/M service, a different diagnosis is not required.”

It is important to note that documentation must support the level of evaluation and management service reported.

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