

Q&A: Am I Just Dealing with a Coding Department that is Ignorant?

Medicare Patient Wonders if 99397 was Coded Correctly

I received the following comment and questions from one of my readers, Mark. He is a Medicare patient who had a full routine physical exam from his physician. Mark asks if his doctor coded the physical properly with a **99397**, which is not covered by Medicare, or if the doctor should have used the Annual Wellness Visit code, G0438 (or **G0439**), which is covered by Medicare. There is a lot of confusion out there on what these exams are comprised of and how these exams should be billed. We come across this type of question often, so I thought I would share it in this blog post.

Q: *"In November 2011 I scheduled a Wellness Exam after receiving a notice from Medicare.*

I turned 65 on November 16, 2010, so this was my initial notice. My physician explained the limited scope of the exam and recommended that I get a full physical, which I agreed to. Last month I received a bill for approximately half, \$116.87, of the total \$228.00; Tricare4Life picked up the balance of \$111.13. I called the billing office and asked them why Medicare had not been billed for any part of the exam. I was informed that Medicare will not pay any part of the 99397 physical. When I asked them why they didn't bill Medicare for a Wellness Exam, which I subsequently learned they would have billed under G0439, I was informed that because I had received a 99397 physical they couldn't bill Medicare for a Wellness Exam and then bill Tricare4Life and me for the additional services over and above the Wellness Exam, as that would be considered fraudulent. I then asked what Medicare would have billed for the Wellness Exam and was told

\$254.00. I did a little research and discovered the following on the Medicare.gov web site under “Welcome to Medicare Preventative Visit” where it discusses “Your costs in Original Medicare”: “You pay nothing for the yearly ‘wellness’ visit if the doctor or other health care provider accepts assignment. If you get additional tests or services during the same visit that aren’t covered under these preventative benefits, you may have to pay coinsurance, and the Part B deductible may apply.” What is there in either a G0438 or G0439 exam that is not covered in a 99397 exam; and, why wouldn’t I just be billed for whatever a 99397 exam covers that is above and beyond the scope of a G0438 or G0439 exam? Am I being defrauded by my medical service provider, or am I just dealing with a coding department that is merely ignorant?”

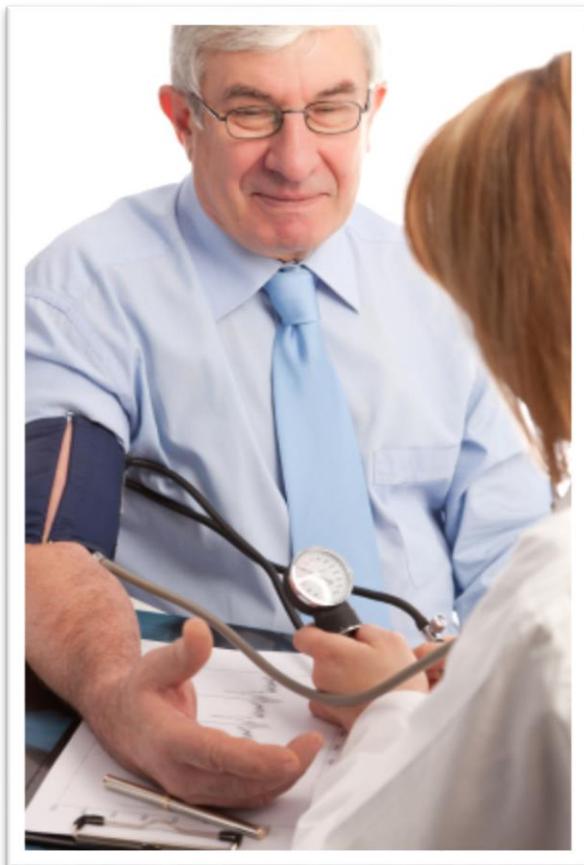
A: There is no fraud or ignorance here, but there was a failure in communication from the doctor’s office. A full physical exam, **99397**, is different than an Annual Wellness Visit, **G0438/G0439**, or “Welcome to Medicare Exam”, G0402. A full physical is NOT covered by Medicare and patients are responsible for the cost and can be billed. Some secondary insurance companies may cover the full physical exam, which helps beneficiaries. The decision for which service a patient should receive needs to be made prior to any exam as it determines the scope of the exam and the documentation needed for the exam. Plus, if explained properly to the patient, the patient can choose which exam they want the physician to perform. The patient may still have to pay based on their decision, but at least there are no surprises.

Unfortunately, there is a lot of confusion as to what each exam covers and how it is reimbursed by Medicare (from patients and from physician’s offices). Medicare does not make things easy.

There are 3 exams that cause the confusion:

1. Comprehensive Preventative Medicine: 99387 New Patient / 99397 Established Patient
2. Initial Preventative Physical Exam (IPPE) aka “Welcome to Medicare Exam”: G0402
3. Annual Wellness Visit (AWV): G0438 Initial / G0439 Subsequent

Let’s take a closer look at what each procedure code covers and how it could have been billed in this case.



Initial Preventive Physical Exam (IPPE) G0402

The Initial Preventive Physical Exam (IPPE) **G0402** could have been provided and billed out by your provider during the first 12 months of receiving Medicare. If you saw the physician before 11/16/2011, this Medicare exam would have been covered. There were also additional once-in-a-lifetime benefits that could also have been provided to you in conjunction with the IPPE (a “Welcome to Medicare” EKG, the Ultrasound Screening for Abdominal Aortic Aneurysm (AAA), and the Pneumococcal Vaccine). However, if you were not seen by a provider, or if your

physician did not actually provide these services, then, unfortunately, you missed out on these benefits, as they must be done within the first year of Medicare eligibility. It is the patient’s responsibility to schedule this exam, however, I suggest that it is good customer service for the medical office to call the patient to schedule an appointment.

The components of an IPPE are:

1. Review of the beneficiary’s medical and social history
2. Review of the beneficiary’s potential risk factors for depression and other mood disorders
3. Review of the beneficiary’s functional ability and level of safety
4. An examination
5. End-of-life planning
6. Education, counseling, and referral based on the previous five components
7. Education, counseling, and referral for other preventive services

Medicare provides a quick reference information sheet on the IPPE at http://www.cms.gov/MLNProducts/downloads/MPS_QRI_IPPE001a.pdf

Annual Wellness Visits (AWV) G0438 / G0439

The AWV is not an annual routine preventative physical exam. Those exams are much more comprehensive than the AWV. Many healthcare providers believe that the AWV is a routine physical exam and bill the **G0438/G0439**. That is incorrect.

In this case, it looks like the physician knew the differences in the exams and their requirements and limitation, and recommended a full physical, which was agreed to, so an AWV would not be appropriate to bill.

It sounds like the cost may have not been explained. It is technically not the responsibility of the medical practice to explain the cost of the full physical exams, as it is a Medicare non-covered service by statute, but it sure would be a good idea to provide the patient with the cost information first, instead of letting them find out later that they owe money (and usually a substantial amount).

The Annual Wellness Visit is comprised of only the following elements:

1. Medical and family history
2. List of current medical providers
3. Height, weight, BMI, BP and other appropriate routine measurements
4. Detection of cognitive impairment
5. Review risk factors
6. Review of functional ability
7. Establish a written screening schedule for next 5-10 years
8. Establish list of risk factors
9. Provide advice and referrals to health education and preventative counseling services
10. Other elements as determined by the Secretary of Health and Human Services

Also, since the routine preventive exam (**99397/99387**) is different than the AWV, Medicare allows both services to be performed at the same visit and billed with proper documentation.

A complete list of the covered services of the AWV can be found at this link:
<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM7079.pdf>

Comprehensive Preventative Medicine: 99387 New Patient / 99397 Established Patient

Lastly, we come to the Comprehensive Preventative Medicine Exam. Patients and medical providers refer to this exam by such names as a routine physical, annual physical, annual exam, well exam, routine exam, full physical, annual routine physical, etc.

Regardless of what the exam is called, the CPT codes **99397** (established patient) and **99387** (new patient), which represent the preventive care examination, have very specific parameters and are never reimbursed by Medicare.

The **99397** is defined as the following:

Periodic comprehensive preventive medicine reevaluation and management of an individual, including an age and gender appropriate history, examination, counseling/anticipatory guidance/risk factor reduction interventions, and the ordering of laboratory/diagnostic procedures, established patient; 65 years and older.

Just as an example, according to the United Healthcare website for patients with a Medicare Advantage Plan (link at: [https://www.uhcwest.com/vgn/images/portal/cit_60701/600758632_Medicare_Advantage_\\$0_Copay_Wellness_Exams-2012_Coding_Procedures.pdf](https://www.uhcwest.com/vgn/images/portal/cit_60701/600758632_Medicare_Advantage_$0_Copay_Wellness_Exams-2012_Coding_Procedures.pdf)), an Annual Routine Physical is defined as the following:

The purpose of the Annual Routine Physical is to provide a comprehensive physical examination in order to screen for disease, promote a healthy lifestyle, and assess an individual's potential risk factors for future medical problems. Any clinical laboratory tests or other diagnostic services performed at the time of the wellness visit may be subject to a copayment or coinsurance as applicable.

This exam includes all or some of the following components as applicable:

1. History
2. Vital Signs
3. General Appearance
4. Heart Exam
5. Lung Exam
6. Head and Neck Exam
7. Abdominal Exam
8. Neurological Exam
9. Dermatological Exam
10. Extremities Exam
11. Male Physical Exam: Testicular, Hernia, Penis, and Prostate Exams
12. Female Physical Exam: Breast and Pelvic Exams
13. Counseling to include healthy behaviors and screening services

Summary

The Annual Wellness Visit **G0438** and the **99397** are completely separate codes, and the AWW is not to be used in place of the **99397**. Since the **99397** is never covered by Medicare, and the patient accepted the physician's recommendation of a full physical prior to any exam being performed, with just the provided information, everything looks like it was done properly. Sometimes a secondary insurer will pay for these services, but it depends on your individual coverage and benefits.

Additionally, billing the **99397** (not covered by Medicare) and billing the AWW at the same time is not fraudulent and can be billed if that is exactly what happened and the physician has the proper documentation.

Please note that Medicare rules are complex and change all the time. What is current information today may be incorrect tomorrow. Always check with your local Medicare carrier.

About the Author



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Manny Oliverrez, CPC, is a 20-year healthcare veteran and the CEO and co-founder of Capture Billing, a medical billing services company located outside of Washington, D.C. He teaches the nation's physicians, administrators, and medical practices how to maximize billing and revenue cycle management processes. Manny also frequently posts articles and videos on his [award-winning healthcare blog](#). For more information on Manny and his company, please visit [his website](#), or call (703)327-1800. And if you're on [LinkedIn](#), please look for him there too. **READ MORE**

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