

2023 Evaluation and Management Changes: Selecting a Code Based on Time Updated April 2024

Starting on January 1st, 2023, providers may select inpatient, observation discharge, and consultation services Evaluation and Management (E/M) services based on either time or medical decision making.

Before the change, inpatient, observation, discharge, and consultation services were selected based on history, exam, and medical decision making. The services would only be reported based on time if 50% of the visit is spent on counseling and/or coordination of care. As of 2023, the 50% rule no longer applies, following the guidelines for office and outpatient E/M services (CPT® codes 99202-99215).

Time Requirements

Each CPT code description will be accompanied by a **definitive time requirement**, rather than a “typical” time. The time noted in the code description must be met or exceeded to report the corresponding service.

Example

2022	2023
99222- Initial hospital care is typically 50 minutes spent at the bedside and on the patient’s hospital floor or unit. ¹	99222- Initial hospital inpatient or observation care requires 55 minutes must be met or exceeded when using total time on the date of the encounter for code selection. ²

Activities That Count Towards Time

In 2021, the definition of time for office and outpatient services was amended to encompass **both face to face and non-face to face** activities on the date of service. The same principle applies to inpatient, observation, discharge, and consultation services starting in 2023.

Physician/Qualified Healthcare Professional time includes:

- Preparing to see the patient (e.g., review of tests)
- Obtaining and/or reviewing separately obtained history
- Performing a medically appropriate examination and/or evaluation
- Counseling and educating the patient/family/caregiver

¹ American Medical Association. (2021). *CPT® 2022 Professional Edition*.

² American Medical Association. (2022, June 30). *CPT® Evaluation and Management (E/M) code and guideline changes*. <https://www.ama-assn.org/system/files/2023-e-m-descriptors-guidelines.pdf>

- ☑ Ordering medications, tests, and procedures
- ☑ Referring and communicating with other health care professionals
- ☑ Documenting clinical information in the electronic or other health record
- ☑ Independently interpreting results (not separately reported) and communicating results to the patient/family/caregiver
- ☑ Care coordination

The following activities do not count towards the time of the service:

- The performance of other services that are reported separately.
- Travel.
- Teaching that is general and not limited to discussion that is required for the management of a specific patient.
- Activities not occurring on the date of service.

Split/Shared E/M Services

CPT defines a split/shared visit as “as a visit in which a physician and other qualified health care professional(s) both provide the face-to-face and non-face-to-face work related to the visit.” The 2024 CPT guidelines updated the substantive portion definition for split or shared services based on time or medical decision-making. In the 2024 Physician Fee Schedule Final Rule, CMS aligned their definition of substantive portion with that of CPT guidelines.

Defining Substantive Portion		
2023	2024	
<ol style="list-style-type: none"> One of the three key components (history, exam, or MDM). The component must be performed in its entirety by the billing practitioner OR More than half of the total time spent by the physician and NPP performing the split (or shared) visit. 	<p style="text-align: center;">Time</p> <p>Determined by the physician or qualified health care professional who spends the majority of the face-to-face and non-face-to-face time performing the service.</p>	<p style="text-align: center;">Medical Decision-making</p> <p><u>Problems addressed:</u> Reporting provider must make or approve the management plan for the problems addressed at the encounter.</p> <p style="text-align: center;">AND</p> <p><u>Risk of treatment:</u> Reporting provider must take responsibility for the treatment plan including the risk of complications and/or morbidity or mortality of the patient management.</p>

Resources

American Medical Association

[CPT® Evaluation and Management \(E/M\) Code and Guideline Changes](#)

CMS

[2024 Medicare Physician Fee Schedule Final Rule](#)

American Society of Clinical Oncology

[Split/Share E/M Services](#)

[ASCO's Guide to 2023 Evaluation and Management Changes](#)