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# New York Implementation

## (3M™ Enhanced Ambulatory Patient Groupings)

November 2015

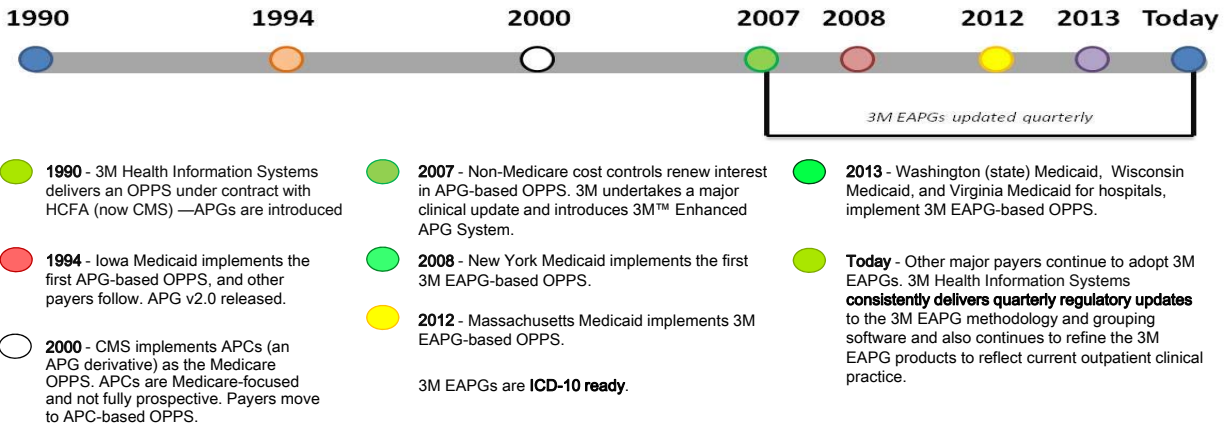
Dave Fee  
3M Health Information Systems

## Agenda

- History
- Definitions
- Edits – NCCI and MUE
- How 3M™ EAPG logic works
  - EAPG logic
  - Packaging
  - Consolidation
- Reimbursement
  - Normal payment
  - Special New York rules
- Summary information
- Reference: [http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/](http://www.health.ny.gov/health_care/medicaid/rates/methodology/)

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## Outpatient prospective payment system (OPPS): A brief history



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## Who is using/converting to EAPGs for payment (OPPS)?

### Current users:

- Illinois Medicaid
- Mass Health
- Minnesota BCBS
- NY DoH (since 2008)
- Oklahoma BCBS
- Virginia Medicaid (ASC & Hospitals)
- Washington Medicaid
- Washington DC Medicaid
- Wellmark BCBS (IA & SD)
- Wisconsin Medicaid

### Planned /announced users

- Colorado Medicaid
- Ohio Medicaid
- Texas Medicaid

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## New York Workers' Compensation vs New York Medicaid

- New York Workers' Compensation Ambulatory Surgery payment
  - Based on Enhanced Ambulatory Patient Groups (EAPGs)
  - Logic consistent with logic implemented by NY Medicaid (DoH)
- Covers services provided in outpatient facilities for ambulatory surgery
- While much of logic and EAPG weights are based on DoH rules, WC has developed WC specific base rates – higher than Medicaid
- Observation services follow DoH rules

## Data set (input) for defining EAPGs

- EAPG
  - ICD-9-CM or ICD-10-CM diagnosis codes (RVDX, PDX, SDX)
  - HCPCS level I (CPT) & level II (Alphanumeric) procedure codes
  - Units of service
  - Service Date
  - Gender
  - Line item action flag (user/payer input, not claim input)
  - Age
  - Optional for billing:
    - HCPCS level I and level II modifiers
    - Revenue code (for clinics)

## Outputs

- Overall claim type
- EAPG groups (the type of group output depends on the diagnosis and/or procedure codes reported)
- EAPG types
- EAPG categories
- EAPG visits
- Flags used for determining payment (for example):
  - Consolidation
  - Packaging
  - Discounting
  - Grouper options

## Definition of EAPGs – what they are

- Classification system designed specifically for outpatient services
- Groups services with similar resource use and costs
- Applicable in all ambulatory settings
  - Same Day Surgery, Hospital Emergency Department, Outpatient clinics/Diagnostic & Treatment Centers
  - Can address phone contacts, home visits, physician services

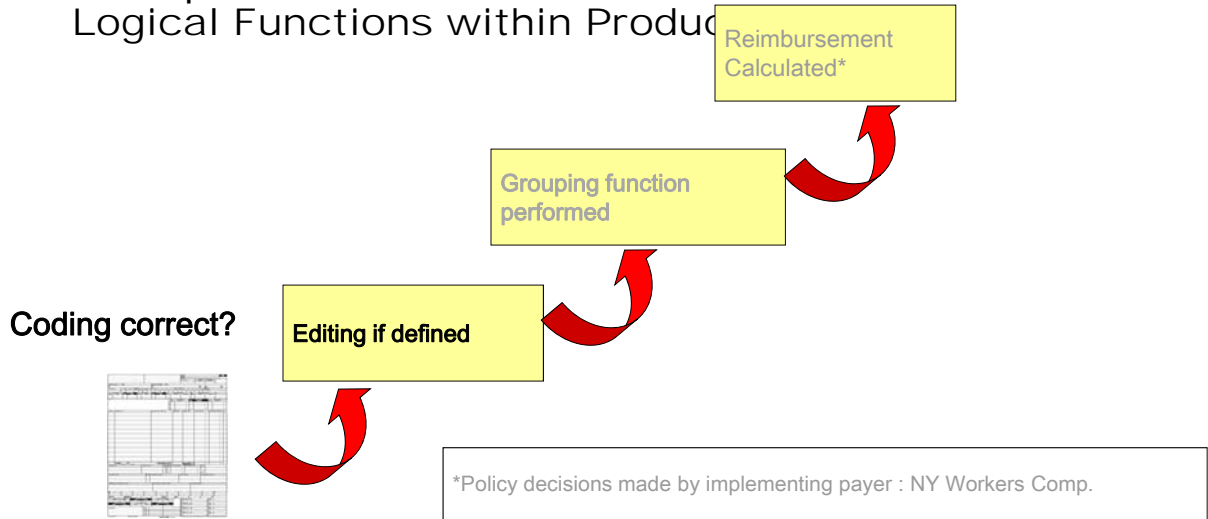
## Definition – what they are

- Designed to be applicable to all patients, all ages
  - APC applies only to the Medicare population
- Based on the ambulatory “visit”
  - Generally reported by date of service, not length of stay
  - EAPGs allow for segregation of multiple visits reported on a single claim using line item dates of service (for services reported by the same entity as provider of services)
  - EAPGs allow for consolidation of multiple visits reported on a single claim into an ‘episode’ (for example: an emergency room visit with additional services that extends into an additional day(s))

## Rate codes impacted

- Rate codes:
  - Defined by the state
  - Identify the site of service
  - Define base rates and other payments
- Rate codes involved:
  - 1401 – Hospital – Surgery
  - 1408 – DTC – Surgery

## 3M™ Enhanced Ambulatory Patient Groups Logical Functions within Product



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## Edits applied as defined by CMS for Medicaid use

- National correct coding initiative (NCCI) edits
  - Hospital services – professional NCCI edits
  - ASCs – professional NCCI edits
- Medically unlikely edits (MUEs)
  - Hospital services – professional MUE edits
  - ASCs – professional MUE edits

Note: If a line item fails one of these edits, it does not group and receives no payment

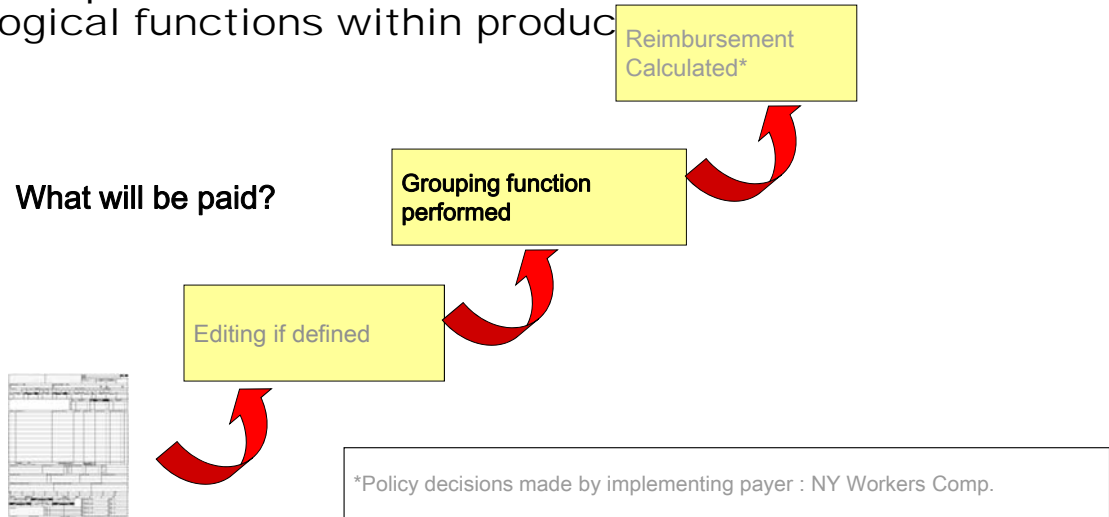
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## 3M™ Enhanced Ambulatory Patient Groups

### Logical functions within product



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## Three major types of procedures in EAPG system

1. **SIGNIFICANT PROCEDURES:** Normally scheduled procedures, constitutes the reason for the visit and dominates the time and resources expended during the visit.

- *Examples: carpal tunnel release; stress test; MRI; colonoscopy*
- *Expanded into 6 sub-groups in 2011 with grouper version 3.5 (Significant Procedures, Physical Therapy & Rehab, Mental Health & Counseling, Dental, Significant Diagnostic, Radiology)*

2. **ANCILLARY TESTS AND PROCEDURES:** Ordered by the primary physician to assist in patient diagnosis or treatment

- *Includes Pathology, Laboratory, Chemotherapy & Pharmacotherapy, Durable Medical Equipment and other Ancillary Tests*

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## Three major types of procedures in EAPG system (continued)

3. INCIDENTAL PROCEDURE: An integral part of a medical visit and is usually associated with professional services (“incident to”)

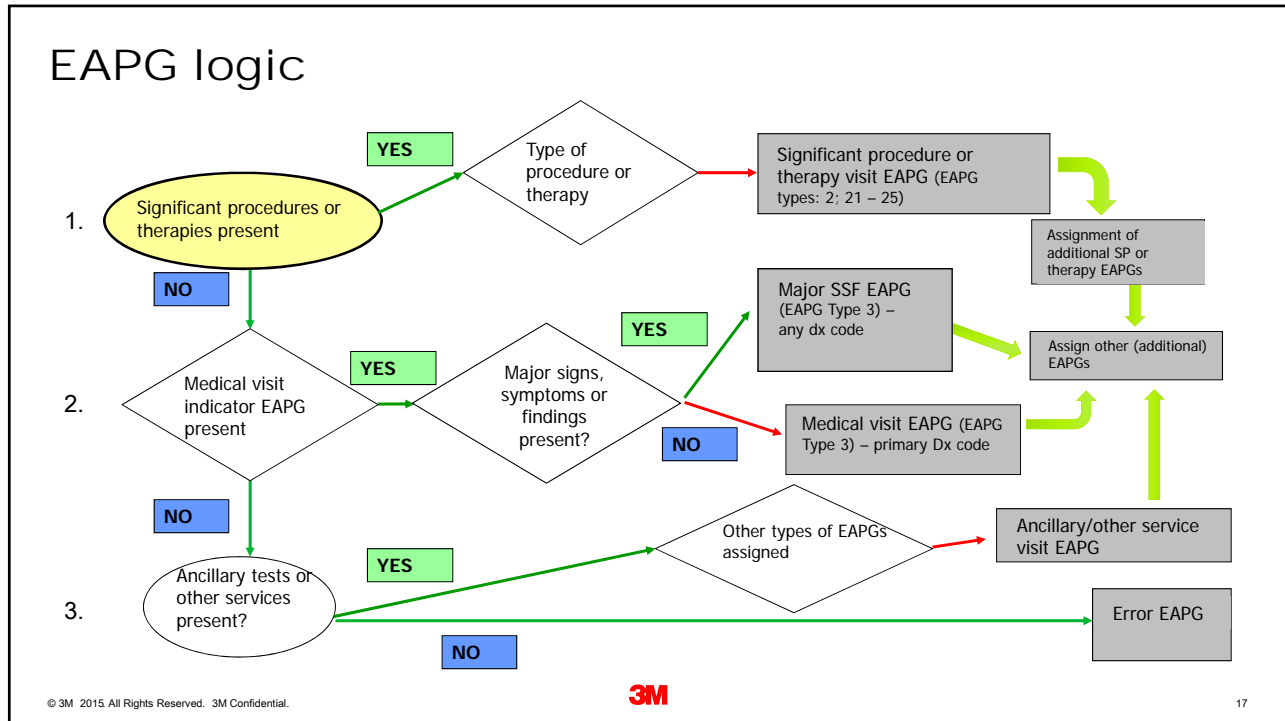
- Examples include: Range of motion measurements, Category II CPT codes for performance measurement, PQRI (Physician Quality Reporting Initiative) codes (HCPCS G-codes)
- Includes Evaluation & Management Codes (EAPG 491 – Medical Visit Indicator) and incidental services assigned to EAPG 490 (Incidental to medical, significant procedure or therapy visit)

## Medical EAPGs

- Describe patients who receive medical treatment but do not have a significant procedure performed during the visit.

Medical patients are described using the primary or principal diagnosis of the patient coded in ICD-9-CM or ICD-10-CM.





### EAPG types

<u>EAPG Type</u>	<u>Description</u>
1	Per Diem
2	Significant Procedure
21	Physical Therapy & Rehab
22	Mental Health & Counseling
23	Dental Procedure
24	Radiologic Procedure
25	Other Diagnostic Procedure
3	Medical Visit
4	Ancillary
5	Incidental
6	Drug
7	DME
8	Unassigned

All treated as significant procedures for consolidation and discounting purposes

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## Sample EAPG assignment

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HCPCS	Description	EAPG	EAPG Type	EAPG Category
0001F	Heart failure composite	490	5	30
00410	Anesth correct heart rhythm	380	4	20
0042T	Ct perfusion w/contrast cbf	299	24	15
00450	Anesth surgery of shoulder	380	4	20
0098T	Rev artfcl disc addl	993	8	99
0099T	Implant corneal ring	236	2	12
0100T	Prosth retina receive&gen	238	2	12
0101T	Extracorp shockwv bx hi enrg	31	2	3
01710	Anesth elbow area surgery	380	4	20
01963	Anesth cs hysterectomy	380	4	20
0201T	Perq sacral augmt bilat inj	214	2	11
0202T	Post vert arthrpst 1 lumbar	221	2	11
0205T	Inirs each vessel add-on	490	5	30
0208T	Audiometry air only	257	25	13
0212T	Compre audiometry evaluation	257	25	13
0213T	Njx paravert w/us certhor	220	2	11
0218T	Njx paravert w/us lumb/sac	220	2	11
0219T	Pint post facet impit cerv	993	8	99

## Packaging

- Sometimes referred to as bundling
- General concept:
  - For payment purposes, the inclusion of payment for certain services within payment for significant procedures or medical services.
- A concept/phrase to learn and know:
  - Just because something does not have separate payment, does not mean it receives no payment
  - A bundled/packaged service receives no separate payment

## Packaging – the general concept

- EAPG standard logic includes
  - Ancillary packaging (Packaging)
  - Significant procedure consolidation (Consolidation)

## EAPG packaging – standard grouping logic

### Ancillary packaging

- Packaging list of ancillary EAPGS
  - Uniform list
  - New York modifications
- Always packaged when other EAPG is present

### Significant procedure consolidation

## Uniform packaging list

<u>EAPG</u>	<u>EAPG Description</u>
373	LEVEL I DENTAL FILM
374	LEVEL II DENTAL FILM
375	DENTAL ANESTHESIA
376	DIAGNOSTIC DENTAL PROCEDURES
377	PREVENTIVE DENTAL PROCEDURES
380	ANESTHESIA
390	LEVEL I PATHOLOGY
394	LEVEL I IMMUNOLOGY TESTS
396	LEVEL I MICROBIOLOGY TESTS
398	LEVEL I ENDOCRINOLOGY TESTS
400	LEVEL I CHEMISTRY TESTS
402	BASIC CHEMISTRY TESTS
406	LEVEL I CLOTTING TESTS
408	LEVEL I HEMATOLOGY TESTS
410	URINALYSIS
411	BLOOD AND URINE DIPSTICK TESTS
412	SIMPLE PULMONARY FUNCTION TESTS
413	CARDIOGRAM

<u>EAPG</u>	<u>EAPG Description</u>
423	INTRODUCTION OF NEEDLE AND CATHETER
424	DRESSINGS AND OTHER MINOR PROCEDURES
425	OTHER MISCELLANEOUS ANCILLARY PROCEDURES
427	BIOFEEDBACK AND OTHER TRAINING
428	PATIENT EDUCATION, INDIVIDUAL
429	PATIENT EDUCATION, GROUP
448	EXPANDED HOURS ACCESS
449	ADDITIONAL UNDIFFERENTIATED MEDICAL VISITS/SERVICES
455	IMPLANTED TISSUE OF ANY TYPE
457	<i>VENIPUNCTURE</i>
459	<i>VACCINE ADMINISTRATION</i>
471	PLAIN FILM
495	MINOR CHEMOTHERAPY DRUGS
496	MINOR PHARMACOTHERAPY
1001	DURABLE MEDICAL EQUIPMENT AND SUPPLIES LEVEL I
1002	DURABLE MEDICAL EQUIPMENT AND SUPPLIES LEVEL II
1003	DURABLE MEDICAL EQUIPMENT AND SUPPLIES LEVEL III

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## New York modification to packaging list

<u>EAPGs added to packaging list</u>			<u>EAPGs deleted from packaging list</u>		
<u>EAPGs</u>	<u>Description</u>	<u>EAPG type</u>	<u>EAPGs</u>	<u>Description</u>	<u>EAPG type</u>
404	TOXICOLOGY TESTS	4	373	LEVEL I DENTAL FILM	4
405	THERAPEUTIC DRUG MONITORING	4	374	LEVEL II DENTAL FILM	4
435	CLASS I PHARMACOTHERAPY	6	375	DENTAL ANESTHESIA	4
495	MINOR CHEMOTHERAPY DRUGS	6	376	DIAGNOSTIC DENTAL PROCEDURES	4
496	MINOR PHARMACOTHERAPY	6	377	PREVENTIVE DENTAL PROCEDURES	4
			428	PATIENT EDUCATION, INDIVIDUAL	4
			429	PATIENT EDUCATION, GROUP	4
			448	EXPANDED HOURS ACCESS	4

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## Ancillary packaging

- Ancillary service is packaged when:
  - The EAPG into which the service is grouped is on the packaging list
  - A medical visit EAPG is present, OR
  - A significant procedure EAPG is present, OR
  - A per diem EAPG is present
- If an ancillary service is provided alone
  - No packaging is done

## Packaging example

- Diagnosis: S52532A Colles' fracture of left radius, init for clos fx
- Procedures:
  - 25605 Treat fracture radius/ulna
  - 73100 X-ray exam of wrist

# Packaging example: Colle's fracture

## Grouping

<b>Primary Diagnosis</b>	
S52532A	Colles' fracture of left radius, init for clos fx Present On Admission Exempt from POA reporting/unreported/not used (POA):
<b>Secondary and External Cause of Injury Diagnoses</b>	
None	
<b>Procedures</b>	
25605	Treat fracture radius/ulna Units: 1 Charge: \$ 500.00 Date: 11/01/2015 Procedure EAPG: 42 CLOSED TREATMENT FX & DISLOCATION EXC FINGER, TOE & TRUNK Final EAPG: 42 CLOSED TREATMENT FX & DISLOCATION EXC FINGER, TOE & TRUNK Final EAPG Type: 2 Significant Procedure Final EAPG Category: 3 Musculoskeletal system procedures
73100	X-ray exam of wrist Units: 1 Charge: \$ 75.00 Date: 11/01/2015 Procedure EAPG: 471 PLAIN FILM Final EAPG: 471 PLAIN FILM Final EAPG Type: 4 Ancillary Final EAPG Category: 28 Radiology Packaging Flag: Packaging applies

EAPG - 42  
Sign Px

EAPG - 471  
Ancillary



# Packaging example: Colle's fracture: payment

## New York Workers Compensation

Patient Information	
Patient Name:	Dave - fractures
Patient ID:	
Account Number:	
Age in Years:	053
Sex:	M Male
Birth Date:	
Hospital ID:	
Financial Payer:	1 Workers' Comp

Financial Information - New York Medicaid - EAPGS										
Code	Final EAPG	Adjusted Weight	Pay Perc.	Paid Units	Pay Action	Base Payment	Existing Payment	Blended Payment	Add-on Payment	Total Payment
Visit ID: 1										
25605	42	2.8302	1.00	1	01	837.57	0.00	837.57	115.70	953.27
73100	471	0.0000	0.00	0	04		0.00	0.00	0.00	0.00
<b>Claim Total:</b>						837.57	0.00	837.57	115.70	953.27



## Packaging example: Colle's fracture: payment

### New York Medicaid

Patient Information										
Patient Name:	Dave - fractures									
Patient ID:										
Account Number:	053									
Age in Years:	M Male									
Sex:										
Birth Date:										
Hospital ID:										
Financial Payer:	0 Medicaid									

Financial Information - New York Medicaid - EAPGS										
Code	Final EAPG	Adjusted Weight	Pay Perc.	Paid Units	Pay Action	Base Payment	Existing Payment	Blended Payment	Add-on Payment	Total Payment
<b>Visit ID: 1</b>										
25605	42	2.8302	1.00	1	01	553.56	0.00	553.56	115.70	669.26
73100	471	0.0000	0.00	0	04		0.00	0.00	0.00	0.00
<b>Claim Total:</b>						553.56	0.00	553.56	115.70	669.26

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## EAPG packaging – standard grouping logic

- Ancillary packaging
  - Uniform list of ancillary EAPGS
  - Always packaged when other EAPG is present
- Significant procedure consolidation (bundling)

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## Significant procedure consolidation

- **Definition:** When a patient has multiple significant procedures, some of the significant procedures may require minimal additional time or resources. Significant procedure consolidation refers to the collapsing of multiple related significant procedure EAPGs into a single EAPG for the purpose of determining payment.
- **Example:** If both a Level I incision and a Level II incision are coded on a patient bill, only the Level II skin incision will be used in the EAPG payment computation.
- **Types of consolidation**
  - Multiple same procedure EAPG
  - Clinical (based on clinical algorithm)

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## Clinical significant procedure consolidation - extract

### APPENDIX E - EAPG CONSOLIDATION

**EAPG 002 SUPERFICIAL NEEDLE BIOPSY AND ASPIRATION**

003 LEVEL I SKIN INCISION AND DRAINAGE

**EAPG 004 LEVEL II SKIN INCISION AND DRAINAGE**

003 LEVEL I SKIN INCISION AND DRAINAGE

**EAPG 005 NAIL PROCEDURES**

003 LEVEL I SKIN INCISION AND DRAINAGE

**EAPG 006 LEVEL I SKIN DEBRIDEMENT AND DESTRUCTION**

003 LEVEL I SKIN INCISION AND DRAINAGE

**EAPG 007 LEVEL II SKIN DEBRIDEMENT AND DESTRUCTION**

003 LEVEL I SKIN INCISION AND DRAINAGE

005 NAIL PROCEDURES

006 LEVEL I SKIN DEBRIDEMENT AND DESTRUCTION

**EAPG 008 LEVEL III SKIN DEBRIDEMENT AND DESTRUCTION**

003 LEVEL I SKIN INCISION AND DRAINAGE

005 NAIL PROCEDURES

006 LEVEL I SKIN DEBRIDEMENT AND DESTRUCTION

007 LEVEL II SKIN DEBRIDEMENT AND DESTRUCTION

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## Example of consolidation – services and grouping

**Procedures:**

**24200 Removal of arm foreign body**

Units: 1  
 Charge: \$ 150.00  
 Date: 11/01/2015  
 Procedure EAPG: 9 LEVEL I EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE

Final EAPG: 9 LEVEL I EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE

Final EAPG Type: 2 Significant Procedure

Final EAPG Category: 1 Skin and integumentary system procedures

**29125 Apply forearm splint**

Units: 1  
 Charge: \$ 150.00  
 Date: 11/01/2015  
 Procedure EAPG: 40 SPLINT, STRAPPING AND CAST REMOVAL

Final EAPG: 40 SPLINT, STRAPPING AND CAST REMOVAL

Final EAPG Type: 2 Significant Procedure

Final EAPG Category: 3 Musculoskeletal system procedures

Consolidation Flag: Clinical SP consolidation applies.

**20520 Removal of foreign body**

Units: 2  
 Charge: \$ 150.00  
 Date: 11/01/2015  
 Procedure EAPG: 9 LEVEL I EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE

Final EAPG: 9 LEVEL I EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE

Final EAPG Type: 2 Significant Procedure

Final EAPG Category: 1 Skin and integumentary system procedures

Consolidation Flag: Same SP consolidation applies.



## Example of consolidation – payment

Financial Information - New York Medicaid - EAPGS										
Code	Final EAPG	Adjusted Weight	Pay Perc.	Paid Units	Pay Action	Base Payment	Existing Payment	Blended Payment	Add-on Payment	Total Payment
<b>Visit ID: 1</b>										
24200	9	3.4361	1.00	1	01	1,016.88	0.00	1,016.88	115.70	1,132.58
29125	40	0.0000	0.00	0	02		0.00	0.00	0.00	0.00
20520	9	0.0000	0.00	0	02		0.00	0.00	0.00	0.00
<b>Claim Total:</b>						<b>1,016.88</b>	<b>0.00</b>	<b>1,016.88</b>	<b>115.70</b>	<b>1,132.58</b>

Pay action of 2: consolidated



## Modifiers used in EAPGs, general discussion

*Modifiers are 2-digit codes that provide additional information about the service, appended to the HCPCS code)*

### 25 distinct service

- Allows assignment of a medical visit EAPG on the same claim/day as a significant procedure EAPG (Distinct and Separate Medical visit + Significant Procedure)

### 27 multiple E/M encounters

- Allows assignment of additional medical visit/services ancillary EAPG (Distinct and Separate Medical Visit {E&M} + Medical Visit)

### 50 bilateral procedure

- Flags a code for additional payment (150%)

### 52 & 73 terminated procedure

- Flags a code for terminated procedure discounting

### 59 separate procedure

- Turns off consolidation – allows separate payment

### Distinct procedural modifiers (XE, XS, XP, XU)

- Turns off consolidation – allows separate payment

### Therapy modifiers (GN, GO, GP)

- Turns off consolidation – allows separate payment

### Anatomical and select modifiers (E1-E4, F1-F9, FA, LT, RT, T1-T9, TA, 24, 57, 76, 77, 91, RC, RI, LC, LM and LD)

- Turns off consolidation – allows separate payment

### Never event modifiers (PA, PB, PC)

- Causes line to not pay

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## Grouping modifiers used by NY

Modifier	Modifier Description	State Agencies Using Modifier	APGs Affected by Modifier	Application of Modifier
25	Distinct Service (medical visit)	All Agencies	All APGs	Does not change APG logic; can be used to bypass certain NCCI edits if appropriate.
27	Distinct Medical Visit		491 (regroups to 449)	Turned off in APGs.
50	Bilateral Procedures	All Agencies	All APGs	First code paid 100%, second paid 50%.
52	Reduced Services	All Agencies	All APGs	50% reduction in payment.
59	Separate Procedures or Distinct Procedural Services	All Agencies		The line will discount instead of consolidating. Also used to bypass NCCI edits, if appropriate.
73	Terminated Procedure	All Agencies	All APGs	50% reduction in payment.
G1 - G6	URR Level for Dialysis	DOH	169 (is reassigned to 168)	Causes APG 169 to be reassigned to APG 168. G6 is not the URR level but indicates that less than 6 session were received during a month, but G6 should still cause APG 169 to be reassigned to APG 168.
GO, GP, GN	Services delivered under an outpatient occupational therapy (GO), physical therapy (GP), or speech-language pathology (GN) plan of care.	OPWDD, DOH	270, 271, 272	Deny any procedure code that groups to OT (270), PT (271), or Speech (272) if one of the following modifiers is missing (GO, GP, or GN modifier).
JW	Drug amount discarded/not administered to any patient	All Agencies	All paying drug APGs	For payable APG drug bands- Added to second line and no payment for line with modifier. For drugs on APG fee schedule- Added to the second line and payment for line with modifier made based on units provided.
PA	Surgical procedure on wrong body part	DOH	All	No payment for line with modifier.
PB	Surgical procedure on wrong patient	DOH	All	No payment for line with modifier.
PC	Wrong surgery or procedure on patient	DOH	All	No payment for line with modifier.

For a complete list see: [http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/modifiers.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/modifiers.htm)

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## Example of consolidation – services and grouping

**Procedures:**

**24200 Removal of arm foreign body**

Units: 1

Charge: \$ 150.00

Date: 11/01/2015

Procedure EAPG: 9 LEVEL I EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE

Final EAPG: 9 LEVEL I EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE

Final EAPG Type: 2 Significant Procedure

Final EAPG Category: 1 Skin and integumentary system procedures

**29125 Apply forearm splint**

Units: 1

Charge: \$ 150.00

Date: 11/01/2015

Procedure EAPG: 40 SPLINT, STRAPPING AND CAST REMOVAL

Final EAPG: 40 SPLINT, STRAPPING AND CAST REMOVAL

Final EAPG Type: 2 Significant Procedure

Final EAPG Category: 3 Musculoskeletal system procedures

Consolidation Flag: Clinical SP consolidation applies.

**20520 Removal of foreign body**

Modifier 1: 59

Units: 2

Charge: \$ 150.00

Date: 11/01/2015

Procedure EAPG: 9 LEVEL I EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE

Final EAPG: 9 LEVEL I EXCISION AND BIOPSY OF SKIN AND SOFT TISSUE

Final EAPG Type: 2 Significant Procedure

Final EAPG Category: 1 Skin and integumentary system procedures

Discounting Flag: Multiple Procedure Discounting candidate



## Example of consolidation – payment

Financial Information - New York Medicaid - EAPGS										
Code	Final EAPG	Adjusted Weight	Pay Perc.	Paid Units	Pay Action	Base Payment	Existing Payment	Blended Payment	Add-on Payment	Total Payment
<b>Visit ID: 1</b>										
24200	9	3.4361	1.00	1	01	1,016.88	0.00	1,016.88	115.70	1,132.58
29125	40	0.0000	0.00	0	02	0.00	0.00	0.00	0.00	0.00
20520	9	1.7181	0.50	1	03	508.45	0.00	508.45	0.00	508.45
<b>Claim Total:</b>						<b>1,525.33</b>	<b>0.00</b>	<b>1,525.33</b>	<b>115.70</b>	<b>1,641.03</b>

Pay action 3: discounted



## Consolidation adjustments for NY

Reimbursement scheme: **New York Medicaid - EAPGS**

EAPG type 2   EAPG type 21   EAPG type 22   EAPG type 23   EAPG type 24   EAPG type 25

	Significant Procedure	Physical Therapy & Rehab	Mental Health & Counseling	Dental	Radiologic Procedure	Diagnostic Significant Procedure
Same procedure consolidation for:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Clinical procedure consolidation for:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Multiple procedure discounting for:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Medical visit processed with:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Do not consolidate across EAPG types.

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## Never pay

- Carve outs
- Services that are just not covered by the payer
  - Example: cosmetic surgery
- Services are just paid through another mechanism – billed differently
  - Possible example: vaccines that are paid through federal grants and not included in the PPS
- Never pay services defined by HCPCS code or EAPG

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## Partial list of EAPGs on never pay list

EAPG	EAPG Description	APG Type	Alternative Payment Available*	Date Added to List
65	Respiratory Therapy	Significant Procedure	No	12/1/2008
66	Pulmonary Rehabilitation	Significant Procedure	No	12/1/2008
117	Home Infusion	Significant Procedure	No	12/1/2008
190	Artificial Fertilization	Significant Procedure	No	12/1/2008
311	Full Day Partial Hospitalization For Substance Abuse	Per Diem	No	12/1/2008
313	Half Day Partial Hospitalization For Substance Abuse	Per Diem	No	12/1/2008
314	Half Day Partial Hospitalization For Mental Illness	Per Diem	No	12/1/2008
319	Activity Therapy	Significant Procedure	No	12/1/2008
371	Orthodontics	Significant Procedure	Yes - carve out	12/1/2008
430	Class I Chemotherapy Drugs	Drug	Yes - carve out	12/1/2008
431	Class II Chemotherapy Drugs	Drug	Yes - carve out	12/1/2008
432	Class III Chemotherapy Drugs	Drug	Yes - carve out	12/1/2008

\* APGs listed as carve outs should not be billed using APGs. Indication as a carve out does not guarantee alternative payment.

Complete list available at: [http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/never\\_pay\\_list.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/never_pay_list.htm)

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## Partial list of HCPCS codes on never pay list

Px Code	Procedure (Px) Description	Alternative Payment Available*	Date Added to Never Pay List
0126T	Chd risk imt study	No	1/1/2013
0216T	Njx paravert w/us lumb/sac	No	1/1/2013
0217T	Njx paravert w/us lumb/sac	No	1/1/2013
0218T	Njx paravert w/us lumb/sac	No	1/1/2013
0310T	Motor function mapping ntms	No	4/1/2013
0311T	Cal & alys cntrl artl press	No	4/1/2013
20696	Comp multiplane ext fixation	No	1/1/2013
20697	Comp ext fixate strut change	No	1/1/2013
20985	Cptr-asst dir ms px	No	12/1/2008
20986	Cptr-asst dir ms px io img	No	12/1/2008
20987	Cptr-asst dir ms px pre img	No	12/1/2008
83655	Assay of lead	Yes	12/1/2008
83890	Molecule isolate	Yes	1/1/2010
83891	Molecule isolate nucleic	Yes	1/1/2010
83892	Molecular diagnostics	Yes	1/1/2010
83893	Molecule dot/slot/blot	Yes	1/1/2010

\* Procedure codes listed as carve outs should not be billed using APGs. Indication as a carve out does not guarantee alternative payment.

Complete list available at: [http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/never\\_pay\\_procedures.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/never_pay_procedures.htm)

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## “If stand alone, do not pay” (ISADNP) EAPGs

- “Stand Alone, Do Not Pay” EAPGs generally consist of procedures performed as follow-up to an initial clinic visit for which EAPGs will not pay. These consist primarily of tests and other ancillaries.
- Mirroring the current reimbursement system, these procedures will also not pay under EAPGs when they are the only items claimed for a given date of service
- Examples include:
  - Follow-up laboratory and diagnostic radiology testing (except MRIs) related to an initial patient encounter.
  - Immunizations.
- Providers should still claim for these procedures in order to maximize the available data that can be used for future reweighting and rebasing.
- References:

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/stand\\_alone\\_list.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/stand_alone_list.htm)

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/stand\\_alone\\_procedures.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/stand_alone_procedures.htm)

## Standalone-do-not-pay (EAPGs)

APG	APG Description	APG type	APG	APG Description	APG type	APG	APG Description	APG type
281	Magnetic Resonance Angiography - Head And/Or Neck	Radiologic Procedure	332	Level III Diagnostic Nuclear Medicine	Radiologic Procedure	410	Urinalysis	Ancillary
282	Magnetic Resonance Angiography - Chest	Radiologic Procedure	373	Level I Dental Film	Ancillary	411	Blood And Urine Dipstick Tests	Ancillary
283	Magnetic Resonance Angiography - Other Sites	Radiologic Procedure	374	Level II Dental Film	Ancillary	413	Cardiogram	Ancillary
284	Myelography	Radiologic Procedure	375	Dental Anesthesia	Ancillary	435	Class I Pharmacotherapy	Drug
285	Miscellaneous Radiological Procedures With Contrast	Radiologic Procedure	380	Anesthesia	Ancillary	436	Class II Pharmacotherapy	Drug
286	Mammography	Radiologic Procedure	390	Level I Pathology	Ancillary	437	Class III Pharmacotherapy	Drug
287	Digestive Radiology	Radiologic Procedure	391	Level II Pathology	Ancillary	438	Class IV Pharmacotherapy	Drug
288	Diagnostic Ultrasound Except Obstetrical And Vascular Of Lower Extremities	Radiologic Procedure	392	Pap Smears	Ancillary	439	Class V Pharmacotherapy	Drug
289	Vascular Diagnostic Ultrasound Of Lower Extremities	Radiologic Procedure	393	Blood And Tissue Typing	Ancillary	440	Class VI Pharmacotherapy	Drug
290	Pet Scans	Radiologic Procedure	394	Level I Immunology Tests	Ancillary	444	CLASS VII PHARMACOTHERAPY	Drug
291	Bone Densitometry	Radiologic Procedure	395	Level II Immunology Tests	Ancillary	455	Implanted Tissue Of Any Type	DME
292	Mri- Abdomen	Radiologic Procedure	396	Level I Microbiology Tests	Ancillary	457	Venipuncture	Ancillary
293	Mri- Joints	Radiologic Procedure	397	Level II Microbiology Tests	Ancillary	460	CLASS VIII COMBINED CHEMOTHERAPY AND PHARMACOTHERAPY	Drug
294	Mri- Back	Radiologic Procedure	398	Level I Endocrinology Tests	Ancillary	461	CLASS IX COMBINED CHEMOTHERAPY AND PHARMACOTHERAPY	Drug
295	Mri- Chest	Radiologic Procedure	399	Level II Endocrinology Tests	Ancillary	462	CLASS X COMBINED CHEMOTHERAPY AND PHARMACOTHERAPY	Drug
296	Mri- Other	Radiologic Procedure	400	Level I Chemistry Tests	Ancillary	463	CLASS XI COMBINED CHEMOTHERAPY AND PHARMACOTHERAPY	Drug
297	Mri- Brain	Radiologic Procedure	401	Level II Chemistry Tests	Ancillary	464	CLASS XII COMBINED CHEMOTHERAPY AND PHARMACOTHERAPY	Drug
298	Cat Scan Back	Radiologic Procedure	402	Basic Chemistry Tests	Ancillary	465	CLASS XIII COMBINED CHEMOTHERAPY AND PHARMACOTHERAPY	Drug
299	Cat Scan - Brain	Radiologic Procedure	403	Organ Or Disease Oriented Panels	Ancillary	470	Obstetrical Ultrasound	Ancillary
300	Cat Scan - Abdomen	Radiologic Procedure	404	Toxicology Tests	Ancillary	471	Plain Film	Ancillary
301	Cat Scan - Other	Radiologic Procedure	405	Therapeutic Drug Monitoring	Ancillary	472	Ultrasound Guidance	Ancillary
302	Angiography,	Radiologic Procedure	406	Level I Clotting Tests	Ancillary	473	Ct Guidance	Ancillary
303	Angiography, Cerebral	Radiologic Procedure	407	Level II Clotting Tests	Ancillary	490	INCIDENTAL TO MEDICAL, SIGNIFICANT PROCEDURE OR THERAPY VISIT	Incidental
330	Level I Diagnostic Nuclear Medicine	Radiologic Procedure	408	Level I Hematology Tests	Ancillary	496	MINOR PHARMACOTHERAPY	Drug
331	Level II Diagnostic Nuclear Medicine	Radiologic Procedure	409	Level II Hematology Tests	Ancillary			

## Standalone-do-not-pay (procedures)

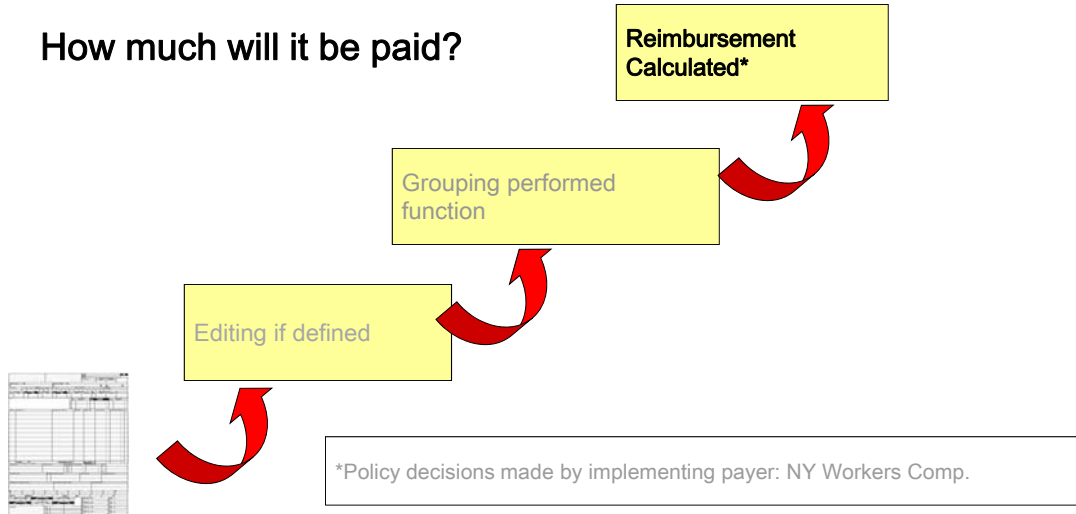
Procedure Code	Procedure Description
D1320	Tobacco counseling
D9230	Analgesia
D9248	Sedation (non-iv)
H1000	Prenatal care atrisk assessm
H1005	Prenatalcare enhanced srv pk
T1013	Sign Lang/Oral Interpreter

## Inpatient only list

- Same concept as under APCs
- List slightly different than Medicare's list
  - Less restrictive
- If on list, does not group to and EAPG and does not pay

## Logical functions within products

How much will it be paid?



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## EAPG-based payment system

- Each EAPG has an associated relative weight for payment
- Weights indicate the relative resource utilization among all ambulatory services
  - Resource intensive services have higher weights
- EAPG payment for a visit is computed as the sum of the payment weights for all non consolidated, non packaged EAPGs with applicable multiple procedure discounts applied.
- Incentive for efficient use of routine ancillary services is created by significant procedure consolidation and by the packaging of routine ancillaries into base visit payment
  - No incremental payment for routine, low cost ancillaries (blood chemistry, chest x-ray, ekg, etc.)

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## Payment formula

- Items consolidated, packaged, not grouped paid \$0.00
- Conversion factor (CF) [also called the base rate]
  - TIMES
- Adjusted weight (AW)
  - EAPG weights
  - TIMES
  - Discount percentage
- Plus capital add-on to highest weighted line item
- Line items summed for visit total

## Calculating reimbursement for EAPGs – sum individual line items



# Discounting

- Multiple unconsolidated significant procedure EAPGs, same EAPG type
  - Level 1 – 100% (highest weighted EAPG)
  - Level 2 – 50%
- Multiple unpackaged ancillaries
  - Repeat same ancillary EAPGs
  - Level 1 – 100%
  - Level 2 – 50%
  - Multiple different ancillary EAPGs
- Modifiers
  - 50 – Bilateral procedure
  - Flags PX code for additional payment – 150%
- Terminated procedures
  - 50%



## Discounting example

EAPG type 2

EAPG type 24

Financial Information - New York Medicaid - EAPGS										
Code	Final EAPG	Adjusted Weight	Pay Perc.	Paid Units	Pay Action	Base Payment	Existing Payment	Blended Payment	Add-on Payment	Total Payment
<b>Visit ID: 1</b>										
35476	85	14.5669	1.00	1	01	3,330.28	0.00	3,330.28	108.48	3,438.76
36120	280	5.0525	1.00	1	01	1,155.10	0.00	1,155.10	0.00	1,155.10
72193	300	0.9725	0.50	1	03	233.40	0.00	233.40	0.00	233.40
80053	403	0.1614	1.00	1	01	38.75	0.00	38.75	0.00	38.75
85610	999	0.0000	0.00	0	29		0.00	0.00	0.00	0.00
75791	474	1.9346	1.00	1	01	442.29	0.00	442.29	0.00	442.29
75978	474	0.9673	0.50	1	03	221.14	0.00	221.14	0.00	221.14
<b>Claim Total:</b>						<b>5,420.96</b>	<b>0.00</b>	<b>5,420.96</b>	<b>108.48</b>	<b>5,529.44</b>

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## Grouping results

Procedures	
35476	Repair venous blockage
Units:	1
Charge:	\$ 1,500.00
Date:	11/01/2015
Procedure EAPG:	85 PERIPHERAL TRANSCATHETER AND REVASCLARIZATION PROCEDURES
Final EAPG:	85 PERIPHERAL TRANSCATHETER AND REVASCLARIZATION PROCEDURES
Final EAPG Type:	2 Significant Procedure
Final EAPG Category:	5 Cardiovascular procedures
36120	Establish access to artery
Units:	1
Charge:	\$ 500.00
Date:	11/01/2015
Procedure EAPG:	280 VASCULAR RADIOLOGY EXCEPT VENOGRAPHY OF EXTREMITY
Final EAPG:	280 VASCULAR RADIOLOGY EXCEPT VENOGRAPHY OF EXTREMITY
Final EAPG Type:	24 Radiologic Procedure
Final EAPG Category:	15 Radiologic procedures
Discounting Flag:	Multiple Procedure Discounting candidate
72193	Ct pelvis w/dye
Units:	1
Charge:	\$ 400.00
Date:	11/01/2015
Procedure EAPG:	300 CAT SCAN - ABDOMEN
Final EAPG:	300 CAT SCAN - ABDOMEN
Final EAPG Type:	24 Radiologic Procedure
Final EAPG Category:	15 Radiologic procedures
Discounting Flag:	Multiple Procedure Discounting candidate
80053	Comprehen metabolic panel
Units:	1
Charge:	\$ 75.00
Date:	11/01/2015
Procedure EAPG:	403 ORGAN OR DISEASE ORIENTED PANELS
Final EAPG:	403 ORGAN OR DISEASE ORIENTED PANELS
Final EAPG Type:	4 Ancillary
Final EAPG Category:	22 Laboratory

85610	Prothrombin time
Units:	1
Charge:	\$ 25.00
Date:	11/01/2015
Procedure EAPG:	400 LEVEL I CLOTTING TESTS
Final EAPG:	999 UNASSIGNED
Final EAPG Type:	8 Unassigned (EAPG = 999)
Final EAPG Category:	99 No EAPG assigned
Item Unassigned Flag:	User ignored (Line action flag)
75791	Av dialysis shunt imaging
Units:	1
Charge:	\$ 50.00
Date:	11/01/2015
Procedure EAPG:	474 RADIOLOGICAL GUIDANCE FOR THERAPEUTIC OR DIAGNOSTIC PROCEDURES
Final EAPG:	474 RADIOLOGICAL GUIDANCE FOR THERAPEUTIC OR DIAGNOSTIC PROCEDURES
Final EAPG Type:	4 Ancillary
Final EAPG Category:	25 Radiology
75978	Repair venous blockage
Units:	1
Charge:	\$ 100.00
Date:	11/01/2015
Procedure EAPG:	474 RADIOLOGICAL GUIDANCE FOR THERAPEUTIC OR DIAGNOSTIC PROCEDURES
Final EAPG:	474 RADIOLOGICAL GUIDANCE FOR THERAPEUTIC OR DIAGNOSTIC PROCEDURES
Final EAPG Type:	4 Ancillary
Final EAPG Category:	25 Radiology
Discounting Flag:	Repeat Ancillary Discounting applies

Diagnosis: G459

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## Supplemental discounting

- Standard discounting is 50%
- A number of EAPGs have different discounts
  - 25% - 31 EAPGs
  - 10% - 12 EAPGs
  - 0% - 1 EAPG (322: "MEDICATION ADMINISTRATION & OBSERVATION")

Reference:

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/non-50\\_discounting\\_7-1-15.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/non-50_discounting_7-1-15.htm)

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## Financial modifiers used by NY

Modifier	Modifier Description	State Agencies Using Modifier	APGs Affected by Modifier	Application of Modifier
AF	Specialty Physician	OMH, OASAS	315, 316, 317, 318, 323	20% increase for 318; 45% increase for all others.
AG	Primary Physician	OMH, OASAS	315, 316, 317, 318, 323	20% increase for 318; 45% increase for all others.
FB	Drugs and vaccines obtained by Provider at No Cost	OMH	414, 415, 416, all drug APGs (category 24)	Pays \$13.23 for line based on proxy weight and statewide base rate. Retro to Oct 2010. Don't code admin/inj code.
GO, GP, GN	Services delivered under an outpatient occupational therapy (GO), physical therapy (GP), or speech-language pathology (GN) plan of care.	OPWDD, DOH	270, 271, 272	Deny any procedure code that groups to OT (270), PT (271), or Speech (272) if one of the following modifiers is missing (GO, GP, or GN modifier).
HN	Bachelors Degree	OPWDD	All mental hygiene APGs	25% reduction in payment. Note: Needs to be included if applicable for OT, PT, or Speech claims in an OPWDD setting. Will deny claim if modifier Gx and HN or HO is not
HO	Masters Degree	OPWDD		
HE	Mental Health Program	OMH, DOH	Medical visits that represent Psychiatric Assessments (in DOH or OMH clinics) or Psychotropic Med Mgt (only in OMH clinics)	No 3M action required. This modifier is used to signal to MCOs that they must pay the billing provider the applicable FFS APG reimbursement amount for the E&M code. This modifier is used for Managed Care ONLY.
HQ	Group Setting	DOH	451	50% reduction in payment.
KP	First drug of a multiple drug unit use formulation	OASAS	322	Doubles payment for first H0020 on a claim.
SA	Nurse Practitioner	OMH, OASAS	315, 316, 317, 318, 323	20% increase for 318; 45% increase for all others.
SL	State Supplied Vaccine (VFC program)	DOH	414, 415, 416	Pays \$17.85 for line based on proxy weight and statewide base rate. Retro to Dec 2008. Don't code admin/inj code.
U4	Language Other Than English	OMH	310, 312, 315-318, 321, 323, 426, 490 (10/01/10)	10% increase in payment.
U5	Reduced Services	OMH	315, 316, 317, 318, 323	30% reduction in payment - SBHC for OMH.
U6	Reimbursable Ancillary	DOH	All ancillary APGs as defined by NYS	Allows payment for ancillary APGs.
UC	Observation provided in a Distinct Unit	DOH	450	Pays 100% of the allowed weight when appended to Px code G0378. If modifier is not present, 80% is paid.
UD	340B Drug	DOH	All drug APGs (pricer does not check for APG)	25% reduction in payment

For a complete list see: [http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/modifiers.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/modifiers.htm)

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## Capital add-on payments

- Capital add-on payment is a visit (claim) addition to the EAPG based outpatient prospective payment system (OPPS)
- Added to a single line on the claim, highest weighted line
- Some EAPGs and HCPCS procedures do not have a capital add-on payment

EAPG	EAPG Description
94	Cardiac Rehabilitation
118	Nutrition Therapy
274	Physical Therapy, Group
275	Speech Therapy & Evaluation, Group
322	Medication Administration & Observation
414	Level I Immunization And Allergy Immunotherapy
415	Level II Immunization
416	Level III Immunization
426	Psychotropic Medication Management
428	Patient Education, Individual
429	Patient Education, Group
448	Expanded Hours Access
451	Smoking Cessation Treatment
458	ALLERGY THERAPY
459	VACCINE ADMINISTRATION

HCPCS Code	HCPCS Description
90882	Environmental manipulation
96040	Genetic counseling, 30 min
97804	Medical nutrition, group, each 30 min
D1320	Tobacco counseling
G0271	Group MNT 2 or more 30 mins
H0023	Alcohol and/or drug outreach
H0038	Self-help/peer services per 15 min
H2010	Comprehensive med svc 15 min
Q3014	Telehealth facility fee
S9445	PT education noc individ
S9446	PT education noc group
T1013	Sign Lang/Oral Interpreter

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## Some items paid differently

- Some items not paid by rate times weight, paid by
  - Fee schedule
  - Procedure-based weights
    - A procedure with an EAPG that is paid with a different weight than the EAPG group

## Questions?



THANK YOU!!

