Handout For Intro HCC (Hierarchical Condition Category)/RAF (Risk Adjustment Factor)

Coding Workshop (V24 Only)

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Learning Objectives:

- Define and understand HCC/RAF Coding as opposed to CPT (Current Procedure Terminology)/RVU(Relative Value Unit) Coding.
- Describe how HCC Codes are captured and reported.
- Understand the impact of precision and timing of HCC Codes.
- A working familiarity with most common HCC Codes and most common under-reported HCC Codes.

Some Useful Facts:

- Relative Value Units are intended to capture the intensity of work that goes into an individual service.
- HCC Codes/RAF Scores are intended to capture the overall complexity of a patient to be cared for over the course of a year.
- RVU's based payment models incentivize production of more services.
- HCC based payment systems incentivize more specific diagnosis of patients. (When combined with risk bearing).
- 93% of CPT charges are from sub-specialists.
- 83% of HCC Codes are best coded by Primary Care Providers.
- Beware:
  - **The HCC cure—All codes reset January 1st every year, if not coded that year, they disappear from the Risk adjustment score.**
  - **Active vs historical DX. (COPD risk adjusts, history of COPD does not).**
  - **Specificity of DX (morbid obesity risk adjusts, obesity does not).**
  - **Chronic Conditions (easily missed in future years—surgical absence of a toe).**

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Who, What, When, Where, How and Why of HCC coding.

- **Who?**
  - Each patient is coded separately.
  - PCPs are responsible for over 80% of HCC Codes (or can and should be).

- **What?**
  - HCC is coding/risk adjustment rubric based on complexity of the illness over time.
  - (CPT/RVU is based on complexity of each and every individual service).

- **When?**
  - HCC Codes are captured on an individual basis in the course of a calendar year.
  - Payment is delayed at least one year (MA) or can be 3 years or longer in other models.
  - Yet the codes reset every year. (no one is obese, has COPD or an amputation until it is coded again).
  - Example in MA. (Similar things are at play in other Risk Adjusted Plans).
    - YR 2021—Morbid Obesity DX made—No payment.
    - YR 2022—No DX Entered—$2400 received based on 2021 code.
    - YR 2023—xxxx (N/A for current yr)—$0 (no code in 2022).

- **Where?**
  - Must be face to face visit (video, home, office, hospital, etc).
    - Note from visit has to support each diagnosis—think MEAT.
      - Monitor
      - Evaluate
      - Assess
      - Treat
  - Must be coded on a claim submitted to Medicare/insurer.

- **How?**
  - Yes, you can and must track DX on problem list.
  - But you only get credit when you submit DX to insurer/Medicare during a calendar year.
    - Max 4 codes per regular visit.
    - Unlimited codes on Medicare Annual Wellness Visit.

How to calculate revenue estimate from HCC/RAF Score for Medicare Advantage patient:

Rationale- It is simplest to do on an individual patient, but similar rubrics are at work for other programs with risk adjustment in play. (ACO, Primary Care First, etc).

Assumption- The average PMPM for Medicare Advantage payments is $800 PMPM. (This is not ChenMed contractual numbers).

1) HCC WT. _____

2) MA Avg PMPM X_____

3) Months / Yr X 12

4) Annual Revenue*

_____

* Revenue is a year following coding (and code must be resubmitted each to get credit for the following year).

Example Morbid Obesity:
DX E66.01, HCC22, HCC Wt: 0.25

1) HCC WT. **0.25**

2) MA Avg PMPM X **$800**

3) Months / Yr X **12**

4) Annual Revenue* **$2400**

* Revenue is a year following coding (and code must be resubmitted each to get credit for the following year).

For this example, if you code Morbid Obesity in 2021, you get the $2400 in 2022. (Though if you do not code in 2022, you will not receive the revenue in 2023 regardless of patient not losing weight).

Table 1: Top 10 Reasons For Adult Outpatient Visits.

DX	ICD10	V24*		Notes
		HCC	HCC Wt. (RAF)	
URI	J06.9	---	N/A	
HTN	I10	---	N/A	
DJD	M19.90	---	N/A	
Type II DM	E11.9	19	0.103	Higher if complicated
Depression	F32.A	---	N/A	MDD risk adjusts-
Anxiety	F41.9	---	N/A	
Pneumonia	J18.9	---	N/A	
Back pain	M54.9	---	N/A	
Dermatitis	L30.9	---	N/A	
Routine Health Maintenance	Z00.0	---	N/A	

*V24-will begin phasing out in 2024 and will no longer be used in 2026.
*V28—will begin phasing in in 2024 and will be sole version in 2026.

Table 2: Top 10 Most Common HCC Codes.

DX	ICD10	V24*		Notes
		HCC	HCC Wt. (RAF)	
DM 2 w/o complications	E11.9	19	0.104	Dx criteria: A1c ≥6.5 FBG- ≥126 RBG ≥200 (need 2 readings)
Breast, Prostate, Other Cancers or Tumors	C50.9 (breast) C61 (prostate)	12	0.146	Must be active to use DX.
DM2 with Chronic complications	E11.42 (neuro) E11.22 (CKD) others	18	0.318	There are numerous others.
Sz disorder	G40.909	79	0.227	
Specified Arrythmias	I48.91 (afib) others	96	0.268	
CHF	I50.9	85	0.323	
Other Endocrine and Metabolic Disorders	E21.0 (↑PTH)	23	0.194	Thyroid does not risk adjust).
COPD	J44.9	111	0.328	Dx Criteria FEV1/EVC < 0.7.
Major Depressive Disorder	F33.9	59	0.309	Need specific DX. PHQ 9 ≥5 (mild depression).
Morbid Obesity	E66.01	22	0.25	BMI > 40 or BMI > 35 with co-morbidities.

*V24-will begin phasing out in 2024 and will no longer be used in 2026.

Table 3: Commonly Missed Chronic HCC Codes.

DX	ICD10	V24*		Notes
		HCC	HCC Wt. (RAF)	
Ostomy Status	Z93.1 (Ileostomy) Z93.3 (Colostomy)	188	0.534	
Amputation Status	Z89.411 (r gr toe) z89.412 (L gr toe)	189	0.519	
Diabetes with Neuropathy	E11.40	18	0.318	
Dialysis Status	Z99.2	134	0.435	
CKD 3 or greater	N 18.31 (3)	138	0.069	
Coagulation Defects	D69.3 (thrombocytopenia)	48	0.192	
Hemiparesis—from CVA	G81.90	103	0.437	
Peripheral vascular disease	I73.9	108	0.288	
CHF	I50.9	85	0.323	

*V24-will begin phasing out in 2024 and will no longer be used in 2026.

Table 5: CPT wRVU's 2023.

CPT (est)	wRVU/tRVU	work$/total$	CPT (new)	wRVU/ tRVU	work$/total$
99212	0.7/1.68	$23.72/$56.93	99202	0.93/2.15	$31.51/$72.88
99213	1.3/2.68	$44.05/$90.81	99203	1.6/3.33	$54.22/$112.84
99214	1.92/3.79	$65.06/$128.43	99204	2.6/4.94	$88.10/$167.40
99215	2.8/5.31	$94.88/$179.94	99205	3.5/6.5	$118.61/$220.27

https://www.aan.com/siteassets/home-page/tools-and-resources/practicing-neurologist--administrators/billing-and-coding/medicare-fee-for-service/medicare-2023-physician-fee-schedule.pdf

2023 RVU Conversion Factor $33.8872

Table 4: CPT Coding.

Level of Medical Decision Making				
Code	**Level of MDM** (Based on 2 out of 3 Elements of MDM)	**Elements of Medical Decision Making**		
		Number and Complexity of Problems Addressed	**Amount and/or Complexity of Data to be Reviewed and Analyzed**	**Risk of Complications and/or Morbidity or Mortality of Patient Management**
99211	**N/A**	**N/A**	**N/A**	**N/A**
99202 **99212**	**Straightforward**	**Minimal** • 1 self-limited or minor problem	**Minimal or none**	**Minimal risk of morbidity from additional diagnostic testing or treatment**
99203 **99213**	**Low**	**Low** • 2 or more self-limited or minor problems; **or** • 1 stable chronic illness; **or** • 1 acute, uncomplicated illness or injury	**Limited** *(Must meet the requirements of at least 1 of the 2 categories)* **Category 1: Tests and documents** • **Any combination of 2 from the following:** • Review of prior external note(s) from each unique source*; • Review of the result(s) of each unique test*; • Ordering of each unique test* **or** **Category 2: Assessment requiring an independent historian(s)** *(For the categories of independent interpretation of tests and discussion of management or test interpretation, see moderate or high)*	**Low risk of morbidity from additional diagnostic testing or treatment**
99204 **99214**	**Moderate**	**Moderate** • 1 or more chronic illnesses with exacerbation, progression, or side effects of treatment; **or** • 2 or more stable chronic illnesses; **or** • 1 undiagnosed new problem with uncertain prognosis; **or** • 1 acute illness with systemic symptoms; **or** • 1 acute complicated injury	**Moderate** *(Must meet the requirements of at least 1 out of 3 categories)* **Category 1: Tests, documents, or independent historian(s)** • **Any combination of 3 from the following:** • Review of prior external note(s) from each unique source*; • Review of the result(s) of each unique test*; • Ordering of each unique test*; • Assessment requiring an independent historian(s) **or** **Category 2: Independent interpretation of tests** • Independent interpretation of a test performed by another physician/other qualified health care professional (not separately reported); **or** **Category 3: Discussion of management or test interpretation** • Discussion of management or test interpretation with external physician/other qualified health care professional/appropriate source (not separately reported)	**Moderate risk of morbidity from additional diagnostic testing or treatment** *Examples only:* • 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
99205 **99215**	**High**	**High** • 1 or more chronic illnesses with severe exacerbation, progression, or side effects of treatment; **or** • 1 acute or chronic illness or injury that poses a threat to life or bodily function	**Extensive** *(Must meet the requirements of at least 2 out of 3 categories)* **Category 1: Tests, documents, or independent historian(s)** • **Any combination of 3 from the following:** • Review of prior external note(s) from each unique source*; • Review of the result(s) of each unique test*; • Ordering of each unique test*; • Assessment requiring an independent historian(s) **or** **Category 2: Independent interpretation of tests** • Independent interpretation of a test performed by another physician/other qualified health care professional (not separately reported); **or** **Category 3: Discussion of management or test interpretation** • Discussion of management or test interpretation with external physician/other qualified health care professional/appropriate source (not separately reported)	**High risk of morbidity from additional diagnostic testing or treatment** *Examples only:* • 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 • Decision not to resuscitate or to de-escalate care because of poor prognosis

* Each unique test, order, or document contributes to the combination of two or combination of three in Category 1.

https://aafp.s3.amazonaws.com/2021-EM-Coding-Guidelines/content_GL/assets/xLxw9GcFqjuWX71K_Cy13r82T0hdWI_3L.png

First Task (To Be Completed Individually).

Please decide if each statement below is true **or** false**. And why for each one?**

1. HCC Coding is better and more useful than CPT coding.
T or **F**. Why? **T - if you are in risk contracts and want to know risk of population. F if in FFS.**

2. Primary Care Physicians get rewarded more from HCC Coding than CPT Coding.
T or **F**. Why? **T - if in Risk bearing agreements - MA, ACO reach, iffy ACOs, no if straight FFSs.**

3. Once a patient has COPD they always have COPD.
T or **F**. Why? **T - clinically. In HCC world false if not coded each year.**

4. In HCC coding the problem list does not matter.
T or **F**. Why? **T - must be on a bill. F - need a place to keep track of HCC Codes.**

5. In HCC coding you can bill all the codes in one encounter.
T or **F**. Why? **T - if that one visit is an annual wellness exam.**

6. A new diagnosis of Morbid Obesity creates an additional payment of $2400.
T or **F**. Why? **T - If it is coded and submitted and it is for the following year. F - otherwise.**

7. What is the sum of HCC WTs (RAF score) and estimated annual revenue for a patient with:
- Surgical absence of a great toe. **0.519**
- BMI of 35: **0.25**
- Type II DM: **0.104 (v24Uncomplicated) or 0.318 (v24complicated).**
- H/o COPD **0.3358 v24.**

HCC WT Total **max - .1.415 (can't use COPD as it says ":history of") therefore w/o COPD 1.087, (w/o DM complications) 0.983.**
$ Revenue per year **$13584, $10,435.20 (w/o COPD) (w/o complicated DM $9436.80).**

Task 2

Which case below A or B is most complex? And Why?

CASE A

72 yo female with history of COPD, HTN, DM with increasing dyspnea on exertion for the last 2 weeks. Accompanied by slight nausea and diaphoresis.

Current Meds:
Lisinopril 10mg daily.
Metformin 500mg daily.
Advair 250/50 diskus BID.

NKDA

PE-Elderly female appearing somewhat SOB.
VS BP 150/90, pulse 80, rr 24, t 98.6, wt 150 lbs.
POC Glucose - 155.
Heart RRR without MRG's.
Lungs CTAP.
Ext-trace edema, no cc or cyanosis.
EKG-NSR at 90 with frequent PVC's non specific ant lat ST-T changes.
(PVC's and ST-T changes are new since 6 months prior).

A/P

DOE - in patient with risk factors of htn and DM. EKG changes. High risk for CAD will send to ED by EMS for cardiac workup.
HTN - less than optimal control. Continue current meds
DM - stable.

Case A - More complex service, lower complexity patient. More RVU's, Lower HCC. (Better in FFS RVU world, worse in HCC VBC model).

		V24				
DX	ICD-10	HCC	RAF	CPT	wRVU's	tRVU
DOE	R06.09	None	0.0			
HTN	I10.0	None	0.0			
DM	E11.9	19	0.104 ($998)			
(HTN assoc with DM)	? E11.59	18	0.302($2899)			
			0.302($2899)	99215	2.8 ($94)	5.29 ($179.17)

2023 CMS wRVU reimbursement $ 33.87

Task 2

CASE B

72 yo female with COPD (FEV1/FVC 0.65 January 2020), Hypertensive Cardiomyopathy (Moderate LVH with preserved EF on Echo July 2019) and DM (last a1c in april 2022 8.0) with peripheral neuropathy is here for follow up with no new complaints.

Current Meds:
Lisinopril 10mg daily.
Metformin 500mg daily.
Advair 250/50 diskus BID.

O)
Healthy female in NAD.
VA - Bp 120/70, HR 80, RR 15, Wt 150lbs.
POC Glucose - 155.
Heart - RRR.
Lungs - CTA.
Ext - feet decreased sensation over ball of each foot, skin intact.

A/P

Hypertensive cardiomyopathy - stable, continue current treatments.
Diabetes with neuropathy-stable. Continue current meds.
COPD-stable continue current meds.

Less complex visit but more complex patient. (Better in VBC HCC world, worse in RVU CPT model).

		V24				
DX	ICD 10	HCC	RAF	CPT	wRVU´s	tRVU's
HTN Heart disease with CHF	I11.0	85	0.331			
Type II DM with neuropathy	E11.42	18	.302			
		Bonus 18+85	0.154 ($1478.40)			
COPD	J44.9	111	.335			
			1.12 ($10, 752/yr)	99213	1.3 ($43.67)	2.68($90.77)
				99214	1.92 ($64.49)	3.79 ($128.36)

2023 CMS wRVU reimbursement $ 33.87

Task 3

It is December 31st and you have 1 open appointment left for the day. Your office manager says that there are two people trying to get the appointment. Which one will you give the appointment to Patient A or Patient B?

Why?

PATIENT A

Mr. Smith is a 65 yo male with HTN, DM, CHF and ETOH abuse. He chronically misses appointments. The last time he was in the office was 18 months ago. But as he just got into Medicare this month (and picked an MA Plan that you have a risk contract with and chose you as his PCP), he says that he wants prescription refills. He has no complaints.

Meds:
Lisinopril 20mg daily
Metformin 500mg bid
Lasix 40mg daily.

- **For HCC this is the winner since it has been 18 months. He currently has no HCC Codes. (Key point - HCC resets each year)**
- **If you see him, you get the additional $10k for next year. If you wait, you will lose that until the following year.**
- **For CPT this patient is the loser.**
- **Some HCC codes give bonus codes. CHF and DM**

		V20				
DX	ICD 10	HCC	RAF	CPT	wRVUs/$	tRVU's/$
DM with HTN	E11.59	18	0.302 ($2899)			
CHF	I50.9	85	0.331 ($3177.60)			
		Bonus 18+85	0.154 ($998.40)			
Alcohol dependence	F10.20	55	0.329 ($3158.40)			
Total			1.12 ($10,752/yr)	99214	1.92 ($64.49)	3.75 ($127.01)

2023 CMS wRVU reimbursement $ 33.87

Task 3

PATIENT B

Ms. Jones is a 70 yo female who is one of your favorite patients. She wants to go dancing tonight with her husband, but her knee is bothering her, and she wants you to put a steroid shot in. Her last one was 9months ago. She also needs a refill on her HCTZ for high blood.

Meds:
HCTZ 12.5mg per day.

- **For HCC-this patient/visit is the loser. (Even if there were HCC Codes, you have probably already captured for the year).**
- **For CPT this patient is clearly the winner. (Could ask how it would be different if instead of knee pain, it was a heart failure patient and they were short of breath- even with no new HCC codes and CPT the same, if you prevented a hospitalization, this might still be the patient to see in that situation).**

DX	ICD 10	HCC	RAF	CPT	wRVUs/$	tRVU's/$
Hypertension	I10.0	none	N/A			
DJD of Knee	M17.11	none	N/A			
				20610 joint inj	0.88($29.81)	1.9 ($64.35)
			0	99213 Mod 25	1.3 ($44)	2.6 ($88.06)
Total			$0		2.18 ($73.83)	4.5 ($v152.41)

2023 CMS wRVU reimbursement $ 33.87

Task 4

What DX's would you code and what total HCC weight would you get for each of the following patients based on HPI?

Patient A _____

Patient B _____

Chance to do the numbers. Do not get to code for h/o.

PATIENT A

HPI: Mr. Smith is 68 yo female with history of COPD here for follow up of type II Diabetes.

		V24	
DX	ICD10	HCC	HCC Wt. (RAF)
COPD	J44.9	111	0.328
Uncomplicated DM	E11.9	19	0.104($998.40)

PATIENT B

HPI: Mr. Jones is a 70 yo male with CHF, Diabetic Neuropathy and surgical absence of right great toe amputation, here for follow up.

		V24	
DX	ICD10	HCC	HCC Wt. (RAF)
CHF	I50.9	85	0.323
DM Neuropathy	E11.40	18	0.318
Surg ab toe	Z89.411	189	0.519
	Total		1.16 ($11,136)
	18+85		0.154
			1.314 ($12,614)

Some codes like CHF and DM offer a bonus HCC code. Put it in here but not trying to make participants feel inadequate.

Task 5

A chance to do the numbers on a full note.

What DX's would you code and what total hcc weight would you give the following patient?

S) 68 yo female with, Hypertension, COPD, Diabetes, and history of Breast Cancer is in to establish care. Denies any SOB or chest pain.

PMHx: S/P Mastectomy 10 years ago.

Current Meds:
Lisinopril 10mg qday
Metformin 500mg bid
Lasix 40mg qday

O) Healthy Female in NAD
VS - BP150/80, Pulse 80 irreg, RR- 14, HT 64 in WT 205lbs BMI 35 (morbid obesity)
Glucose 126, PHQ9 - 10 (major depression-moderate)
HEENT - Moist non-icteric MM's, PERLA, TM's Clear
Neck-No masses or bruits
Heart-Irreg Irreg, no murmurs (Afib)
Lungs - Good air movement, few Ronchi, no rales or wheezes
Ext - Trace Edema - No Clubbing or Cyanosis
Neuro-A and O x 3. Decreased sensation bilat MTP joints plantar surface (neuropathy)
Psyc - Appearance – Neat
Mood Down
Speech normal
Thought process – intact
Denies SI

EKG - Rate - 80
Rhythm - Irreg Irreg - Normal Axis
Impression - Afib at 80

Spirometry - FEV1/FVC - 0.65

ECHO - EF 40%, no wall motion abnormalities. (HFrEF)

		V24	
DX	ICD 10	HCC	HCC Wt. (RAF)
Morbid Obes	E66.01	22	0.25
COPD	J44.9	111	0.328
Afib	I48.91	96	0.268
Major Dep	F33.9	59	0.309
CHF	I50.9	85	0.323
DM Neuropathy	E11.42	18	0.318
	Total		1.796 ($17,241)
	18+85 Bonus		0.154
	Total		1.95($18,720)