



An Informational Bulletin Brought To You By Polaris Group

## CY 2017 New Therapy Evaluation Codes

For CY 2017, the Physician Fee Schedule final rule includes a new 3- tiered current procedural terminology (CPT) code system to replace the current single code that covered all therapist evaluations. The Current Procedural Terminology (CPT) Editorial Panel created eight new codes (97161-97168) to replace the 4-code set (97001-97004) for Physical Therapy (PT) and Occupational Therapy (OT) evaluative procedures. The new CPT code descriptors for PT and OT evaluative procedures include specific components that are required for reporting as well as the corresponding typical face-to-face times for each service. The new codes are “always therapy” and must be reported with the appropriate therapy modifier, GP or GO, to indicate that the services are furnished under a PT or OT plan of care. All new codes will be subject to Medicare’s annual therapy cap and multiple procedure payment reduction (MPPR).

### Evaluation Codes

The CPT Editorial Panel created three new codes to replace each existing PT and OT evaluation code, 97001 and 97003, respectively. These new evaluation codes are based on patient complexity and the level of clinical decision-making – low, moderate and high complexity: for PT, codes 97161, 97162 and 97163; and for OT, codes 97165, 97166 and 97167.

### Re-evaluation Codes

One new PT code, 97164, and one new OT code, 97168, were created to replace the existing codes – 97002 and 97004, respectively. The re-evaluation codes are reported for an established patient’s when a revised plan of care is indicated.

### New CPT Codes and Long Descriptors for PT Evaluative Procedures

#### 97161 - Physical therapy evaluation: low complexity, requiring these components:

- A history with no personal factors and/or comorbidities that impact the plan of care;
- An examination of body system (s) using standardized tests and measures addressing 1-2 elements from any of the following: body structures and functions, activity limitations, and/or participation restrictions;
- A clinical presentation with stable and/or uncomplicated characteristics; and

- Clinical decision making of low complexity using standardized patient assessment instrument and/or measurable assessment of functional outcome

*Typically, 20 minutes are spent face-to-face with the patient and/or family*

#### 97162 - Physical therapy evaluation: moderate complexity, requiring these components:

- A history of present problem with 1-2 personal factors and/or comorbidities that impact the plan of care;
- An examination of body systems using standardized tests and measures in addressing a total of 3 or more elements from any of the following: body structures and functions, activity limitations, and/or participation restrictions;
- An evolving clinical presentation with changing characteristics; and
- Clinical decision making of moderate complexity using standardized patient assessment instrument and/or measurable assessment of functional outcome.

*Typically, 30 minutes are spent face-to-face with the patient and/or family.*

#### 97163 - Physical therapy evaluation: high complexity, requiring these components:

- A history of present problem with 3 or more personal factors and/or comorbidities that impact the plan of care;
- An examination of body systems using standardized tests and measures addressing a total of 4 or more elements from any of the following: body structures and functions, activity limitations, and/or participation restrictions;
- A clinical presentation with unstable and unpredictable characteristics; and
- Clinical decision making of high complexity using standardized patient assessment instrument and/or measurable assessment of functional outcome.

*Typically, 45 minutes are spent face-to-face with the patient and/or family.*

#### 97164 - Re-evaluation of physical therapy established plan of care, requiring these components:

- An examination including a review of history and use of standardized tests and measures is required; and
- Revised plan of care using a standardized patient



assessment instrument and/or measurable assessment of functional outcome.

*Typically, 20 minutes are spent face-to-face with the patient and/or family.*

### **New CPT Codes and Long Descriptors for OT Evaluative Procedures**

#### **97165 - Occupational therapy evaluation, low complexity, requiring these components:**

- An occupational profile and medical and therapy history, which includes a brief history including review of medical and/or therapy records relating to the presenting problem;
- An assessment (s) that identifies 1-3 performance deficits (i.e., relating to physical, cognitive, or psychosocial skills) that result in activity limitations and/or participation restrictions; and
- Clinical decision making of low complexity, which includes an analysis of the occupational profile, analysis of data from problem-focused assessment (s), and consideration of a limited number of treatment options. Patient presents with no comorbidities that affect occupational performance. Modification of tasks or assistance (e.g., physical or verbal) with assessment (s) is not necessary to enable completion of evaluation component.

*Typically, 30 minutes are spent face-to-face with the patient and/or family*

#### **97166 - Occupational therapy evaluation, moderate complexity, requiring these components:**

- An occupational profile and medical and therapy history, which includes an expanded review of medical and/or therapy records and additional review of physical, cognitive, or psychosocial history related to current functional performance;
- An assessment (s) that identifies 3-5 performance deficits (i.e., relating to physical, cognitive, or psychosocial skills) that result in activity limitations and/or participation restrictions; and
- Clinical decision making of moderate analytic complexity, which includes an analysis of the occupational profile, analysis of data from detailed assessment (s), and consideration of several treatment options. Patient may present with comorbidities that affect occupational performance. Minimal to moderate modification of tasks or assistance (e.g., physical or verbal) with assessment (s) is necessary to enable patient to complete evaluation component.

*Typically, 45 minutes are spent face-to-face with the patient and/or family.*

#### **97167 - Occupational therapy evaluation, high complexity, requiring these components:**

- An occupational profile and medical and therapy history, which includes review of medical and/or therapy records and extensive additional review of physical, cognitive, or psychosocial history related to current functional performance;
- An assessment (s) that identifies 5 or more performance deficits (i.e., relating to physical, cognitive, or psychosocial skills) that result in activity limitations and/or participation restrictions; and
- Clinical decision making of high analytic complexity, which includes an analysis of the patient profile, analysis of data from comprehensive assessment (s), and consideration of multiple treatment options. Patient presents with comorbidities that affect occupational performance. Significant modification of tasks or assistance (e.g., physical or verbal) with assessment (s) is necessary to enable patient to complete evaluation component.

*Typically, 60 minutes are spent face-to-face with the patient and/or family.*

#### **97168 - Re-evaluation of occupational therapy established plan of care, requiring these components:**

- An assessment of changes in patient functional or medical status with revised plan of care;
- An update to the initial occupational profile to reflect changes in condition or environment that affect future interventions and/or goals; and
- A revised plan of care. A formal reevaluation is performed when there is a documented change in functional status or a significant change to the plan of care is required.

*Typically, 30 minutes are spent face-to-face with the patient and/or family.*

## **Hospitals to Issue MOON Notice for Observation Patients**

On August 2, 2016, the Centers for Medicare & Medicaid Services (CMS) released its Hospital Inpatient Prospective Payment System and Long-Term Acute Care Hospital Final Rule Issues for Fiscal Year 2017. CMS included the final rule for Hospital Notification Procedures Applicable to Beneficiaries Receiving Observation Services to implement the Notice of Observation Treatment and Implication for Care Eligibility (NOTICE) Act. The final rule requires hospitals and critical access hospitals (CAHs) to utilize a standard Medicare Outpatient Observation Notice (MOON) to provide written and verbal notice in accordance with the NOTICE Act. The Medicare Outpatient Observation Notice (MOON) is a standardized notice to inform beneficiaries (including Medicare health



plan enrollees) that they are an outpatient receiving observation services and are not an inpatient of the hospital or critical access hospital (CAH). The NOTICE Act requires all hospitals and CAHs to present the MOON to Medicare patients who are placed in outpatient observation status for longer than 24 hours, verbally discuss its contents with such patients and obtain appropriate signatures on the MOON. Hospitals and CAHs are required to provide the MOON beginning no later than March 8, 2017.

**Polaris Group Solution Center  
Hotline Q&A  
“Where No Question Goes Unanswered!”**

**Question:**

We have a resident that was in an auto accident but neither he nor the other driver have any car insurance. He does have Medicare but will they pay for this if he has no auto insurance?

**Answer:**

Yes. Medicare would be primary. Medicare says if there is another payer that would pay then the other payer would be primary but since there isn't another payer source Medicare would be primary.

**Question:**

We had a Significant Change in Status MDS set up for a resident but she passed away just after midnight of the ARD. Do we need to complete the Significant Change in Status?

**Answer:**

No. You would keep any sections that are completed in the chart then put a note in the chart to document why the Significant Change in Status was not completed.

**Question:**

I had a COT checkpoint of 11/25/16 but wasn't notified from therapy that the COT was due until 11/28/16. I opened the COT on 11/28/16. Can I set the COT ARD for 11/25/16?

**Answer:**

No once the two-day allowable window passes for setting the COT ARD then the COT is considered late and the ARD must be set for the day it was discovered that it was missed. The number of default days for this situation would be the number of days the ARD is late including the ARD date which in this case would be three days



**2017 WEBINAR TRAININGS**  
Polaris Group is pleased to offer the following  
**CEU approved** live Webinars

	<u>Date</u>
<b>Medicare Training Series</b>	
Medicare Part A Basics	1/10
Medicare Documentation & Skilling Criteria	1/11
Denial Letters & Expedited Review Notices for LTC	1/12
<b>Final Regulations Impacting LTC Training</b>	
Overview of Final Regulations Impacting LTC <i>*New Topic</i>	1/17
<b>Dementia Care Training Series <i>*New Topics</i></b>	
Dementia Care & Psychotropic Drug Use	1/24
Direct Care & Giving to Persons with Dementia	1/26
<b>Supervisory Skills Training Series</b>	
“Super” Supervisor Part 1	1/18
Supervisory Skills Part 2	1/19

*Please join us!*  
**For further information, please contact the Webinar  
Department at: 800-275-6252 ext. 250  
or register online at: [www.polaris-group.com](http://www.polaris-group.com)**



Comprehensive 3-day training workshops to implement a compliant and successful Medicare program

**Training Workshops for LTC  
Current 2017 Dates & Locations:**

**Medicare & PPS Compliance for SNFs**

May 16-18 Orlando, FL  
July 18-20 Las Vegas, NV

**SNF Billing - Basics & More**

March 21-23 Las Vegas, NV  
June 13-15 Chicago, IL  
September 19-21 Orlando, FL

**Surviving MAC/RAC/ZPIC Audits**

February 8-9 Las Vegas, NV  
November 8-9 Orlando, FL

**Advanced Billing for SNFs**

April 18-20 Dallas, TX  
August 22-24 Las Vegas, NV  
November 14-16 Tampa, FL

**POLARIS PULSE** is an informational newsletter distributed to **POLARIS GROUP** clients. For further information regarding services or information contained in this publication, please contact **POLARIS GROUP** corporate headquarters at 800-275-6252.

**Contributors:**

Debora Glatfelter, RN, RAC-CT  
Victor Kintz, MBA, CHC, LNHA, RAC-CT, CCA  
Marty Pachciarz, RN, RAC-CT  
Cynthia Wilkins, RN, MSN, LNHA  
Wendy Erickson, BSN, RN, RAC-CT, CCA

**Editor:**

Chuck Cave, BS, CHC

**Production Manager:**

Mica Meadows