

# Payment Policy: Incidental Diagnostic and Laboratory Tests Billed with Evaluation and Management Services

Reference Number: CC.PP.010

Product Types: ALL

Effective Date: 01/01/2013

Last Review Date: 12/01/2022

[Coding Implications](#)  
[Revision Log](#)

**See [Important Reminder](#) at the end of this policy for important regulatory and legal information.**

## Policy Overview

The American Medical Association (AMA) Current Procedural Terminology (CPT®) codes for Evaluation and Management (E/M) services represent the professional services of physicians and other qualified health care professionals. These codes include a collection of patient care services rendered on the day of the encounter and certain incidental services rendered on days without a face-to-face visit. A number of ordinarily performed physician services are included in the payment for the E/M service and are not paid separately.

The purpose of this policy is to define payment criteria for incidental diagnostic and laboratory tests when billed with E/M services.

## Policy Description

Per CPT guidelines, E/M services include examinations, evaluations, treatments, conferences with or concerning patients, preventive pediatric and adult health supervision, and similar medical services, such as the determination of the need and/or location for appropriate care. E/M services include seven components of physician work:

- History
- Examination
- Medical decision making
- Counseling
- Coordination of care
- Nature of presenting problem
- Time

Medical decision making refers to the complexity of establishing a diagnosis and/or selecting a management option as measured by the amount and/or complexity of medical records, diagnostic tests, and/or other information that must be obtained, reviewed, and analyzed. Therefore, the review and analysis of common diagnostic tests are included in the medical decision making component of E/M services and should be appropriately documented in the patient's medical record.

CPT guidelines further instruct that the actual performance and/or interpretation of diagnostic tests/studies ordered during a patient encounter are not included in the levels of E/M services. Physician performance of diagnostic tests/studies for which specific CPT codes are available

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may be reported separately, in addition to the appropriate E/M code. The physician's interpretation of the results of diagnostic tests/studies (i.e., professional component), with preparation of a separately distinctly identifiable signed written report, may also be reported separately, using the appropriate CPT code with modifier -26 appended. Therefore, the review and analysis of those diagnostic tests and services that do not ordinarily warrant a separately identifiable signed report, but which results are documented and commented upon in the body of the physician documentation in the medical record will not be separately reimbursed.

### Reimbursement

Reimbursement for the review and analysis of incidental diagnostic and laboratory tests performed during an E/M service will be included in the payment for the E/M service and not reimbursed separately.

### Documentation Requirements

The medical record must support the need for a separately identifiable and signed report for the diagnostic test beyond what would ordinarily be expected within the range of services that comprise an E/M service for separate payment to be made. Under such circumstances, modifier -25 must be appended to the applicable E/M service to receive payment.

### Coding and Modifier Information

This payment policy references Current Procedural Terminology (CPT<sup>®</sup>). CPT<sup>®</sup> is a registered trademark of the American Medical Association. All CPT<sup>®</sup> codes and descriptions are copyrighted 2022, American Medical Association. All rights reserved. CPT codes and CPT descriptions are from current manuals and those included herein are not intended to be all-inclusive and are included for informational purposes only. Codes referenced in this payment policy are for informational purposes only. Inclusion or exclusion of any codes does not guarantee coverage. Providers should reference the most up-to-date sources of professional coding guidance prior to the submission of claims for reimbursement of covered services.

### References

1. *Current Procedural Terminology (CPT<sup>®</sup>), 2022*
2. *HCPCS Level II, 2022*
3. *International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM), 2022*
4. *ICD-10-CM Official Draft Code Set, 2022*

Revision History	
09/01/2016	Removed Watermark and updated disclaimer
01/17/2017	Converted to corporate template and conducted annual review.
02/24/2018	Update policy and references, Added codes 99288, 99291, 99292, 99415, 99416, 99360, 99484. Removed 99363, 99364
04/01/2019	Conducted review, verified codes, added codes 99429 and 99499, updated policy
11/01/2019	Annual Review completed
11/01/2020	Annual Review completed

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11/30/2021	Annual Review completed; no major updates required
12/01/2022	Annual Review completed; removed E/M and diagnostic CPT code tables as this information can be found in the CPT manual sourced above

**Important Reminder**

For the purposes of this payment policy, “Health Plan” means a health plan that has adopted this payment policy and that is operated or administered, in whole or in part, by Centene Management Company, LLC, or any other of such health plan’s affiliates, as applicable.

The purpose of this payment policy is to provide a guide to payment, which is a component of the guidelines used to assist in making coverage and payment determinations and administering benefits. It does not constitute a contract or guarantee regarding payment or results. Coverage and payment determinations and the administration of benefits are subject to all terms, conditions, exclusions and limitations of the coverage documents (e.g., evidence of coverage, certificate of coverage, policy, contract of insurance, etc.), as well as to state and federal requirements and applicable plan-level administrative policies and procedures.

This payment policy is effective as of the date determined by Health Plan. The date of posting may not be the effective date of this payment policy. This payment policy may be subject to applicable legal and regulatory requirements relating to provider notification. If there is a discrepancy between the effective date of this payment policy and any applicable legal or regulatory requirement, the requirements of law and regulation shall govern. Health Plan retains the right to change, amend or withdraw this payment policy, and additional payment policies may be developed and adopted as needed, at any time.

This payment policy does not constitute medical advice, medical treatment or medical care. It is not intended to dictate to providers how to practice medicine. Providers are expected to exercise professional medical judgment in providing the most appropriate care, and are solely responsible for the medical advice and treatment of members. This payment policy is not intended to recommend treatment for members. Members should consult with their treating physician in connection with diagnosis and treatment decisions.

Providers referred to in this policy are independent contractors who exercise independent judgment and over whom Health Plan has no control or right of control. Providers are not agents or employees of Health Plan.

This payment policy is the property of Centene Corporation. Unauthorized copying, use, and distribution of this payment policy or any information contained herein are strictly prohibited. Providers, members and their representatives are bound to the terms and conditions expressed herein through the terms of their contracts. Where no such contract exists, providers, members and their representatives agree to be bound by such terms and conditions by providing services to members and/or submitting claims for payment for such services.

**Note: For Medicaid members,** when state Medicaid coverage provisions conflict with the coverage provisions in this payment policy, state Medicaid coverage provisions take precedence.

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Please refer to the state Medicaid manual for any coverage provisions pertaining to this payment policy.

**Note: For Medicare members,** to ensure consistency with the Medicare National Coverage Determinations (NCD) and Local Coverage Determinations (LCD), all applicable NCDs and LCDs should be reviewed prior to applying the criteria set forth in this payment policy. Refer to the CMS website at <http://www.cms.gov> for additional information.

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