

2021 Changes to RVUs: Ripple Effects



By Elizabeth Woodcock, MBA, FACMPE, CPC

By now, physicians have transitioned into the new rules to code evaluation and management (E/M) encounters in the office.*^[1] What may not be recognized, however, is the changes to the relative value units associated with the codes. In addition to the shift in coding guidance, the American Medical Association and the Centers for Medicare & Medicaid Services combined forces to implement a new valuation methodology for the relative value units associated with the remaining nine office-based E/M codes -- 99202 through 99205, 99211, and 99215. While this calculation doesn't impact the way you practice, it has two important effects: (1) it boosts your reimbursement for these codes; and (2) it alters your reporting of productivity.

The change in reimbursement is substantial. A visit coded as a 99215, for example, will pay 23% more than it did just weeks ago (that is, prior to January 1, 2021). Table One displays the change in rates for Medicare for physicians in Tennessee (MAC 1031235) between 2020 and 2021, accompanied by the corresponding shift in total relative value units. Other states can view the changes [here](#). While this is great news for Medicare reimbursement, the glad tidings don't end there. Indeed, as most commercial payers use

the Medicare Resource-based Relative Value Scale's relative value units to pay physicians, these increases will reverberate across your practice's entire book of business.

Table One. 2020-2021 Changes to Office E/M Codes

CPT Code	Short Description	2020		2021		2020-2021 Change (%)	
		Allowable	Total RVU	Allowable	Total RVU	Allowable	Total RVU
99211	Office o/p est minimal prob	\$21.57	0.65	\$21.08	0.66	-2%	2%
99212	Office o/p est sf 10-19 min	\$42.52	1.28	\$52.67	1.63	24%	27%
99213	Office o/p est low 20-29 min	\$70.79	2.11	\$85.98	2.65	21%	26%
99214	Office o/p est mod 30-39 min	\$103.10	3.06	\$122.31	3.76	19%	23%
99215	Office o/p est hi 40-54 min	\$138.79	4.11	\$171.03	5.25	23%	28%
99202	Office o/p new sf 15-29 min	\$71.47	2.14	\$68.23	2.12	-5%	-1%
99203	Office o/p new low 30-44 min	\$101.55	3.03	\$105.40	3.26	4%	8%
99204	Office o/p new mod 45-59 min	\$155.84	4.63	\$158.17	4.87	1%	5%
99205	Office o/p new hi 60-74 min	\$197.24	5.85	\$208.99	6.43	6%	10%

Internal productivity reports may look peculiar, particularly compared to historical records. Physicians who rely heavily on office-based E/M encounters will appear to be 5, 10, maybe even 25% more 'productive' on reports. Of course, this result will occur only when your practice management system loads the 2021 relative value units. For some practices, this may have little impact other than the numbers looking higher, but for others, there is an important consideration to be made. For practices that rely on relative value units to dole out bonuses -- or divide income among physicians -- the change in units will have a significant effect. Indeed, your practice may want to discuss how to handle this now, rather than waiting until cries of inequity are raised. Consider a dermatology practice with dermatologists, MOHS surgeons, and dermatopathologists; the first specialty will see a sizable spike in units, while the other two will not. With regard to the compensation plan, will there be a conversion back to the 2020 units? Is a transition year in order -- or maybe two? Myriad questions may arise; and there are no right answers. In fact, my mantra for physician compensation plans is that all physicians feel equally treated unfairly. However,

it's important to consider avoiding the worst outcome, which is being caught by surprise, by reviewing and discussing the situation now.

Use this handy (and free) tool to look up relative value units and Medicare reimbursement for any code, year, and location: [Search the Physician Fee Schedule | CMS](#)

SVMIC also has prepared a convenient presentation on E/M Coding Changes which you can view at your convenience [here](#).

[1] Please review the [AMA education](#) about the new guidelines, which started on January 1, 2021.

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