



DHMP Medicare Advantage: Telehealth and Risk Adjustment

Since 2020, CMS has allowed for diagnosis codes resulting from telehealth encounters to be included in the calculation for Medicare Advantage risk adjustment payment, provided that the **telehealth encounters use real-time audio and video communication.** Diagnosis codes resulting from audio-only encounters cannot be factored into the calculation.

As such, coding of telehealth encounters for Medicare Advantage members must distinguish between audio/video encounters and audio-only encounters.

CMS has stated that, in order to report risk-adjustable (i.e. audio/video) encounters, coding for Medicare Advantage encounters should use place of service code "02" or CPT modifier "95." **Using either of these codes in conjunction with a risk-adjustable procedure code will result in risk adjustment payment**, meaning the encounter must have used audio and video communication.

To avoid inaccurate risk adjustment payment, for audio-only encounters, consider using a procedure code that signifies audio-only, such as the appropriate Telephone E/M codes (99441-99443). This procedure code will alert CMS to the fact that the encounter did not include video, and therefore does not qualify for risk adjustment payment.

Contact DHMP's Medicare Risk Adjustment Analyst at 303-602-2134 if you have any questions regarding this announcement, or Medicare risk adjustment in general. Thank you!