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Common Procedure Terminology (CPT) Coding

The American Medical Association or AMA describes CPT codes as a list of terms and codes for reporting medical services and procedures (AMA CPT Editorial & Info Services, 2008). CPT codes help standardize descriptions of medical, surgical and diagnostic services which allows for a reliable communication between physicians and other ancillary providers, patients and third party payors.

History of CPT Codes

CPT was initially developed and published by AMA in 1966 to encourage the use of standardized terminology and procedure descriptions in order to simplify medical record keeping for physicians and record clerks. The first edition of CPT mainly contained surgical procedures with small sections dedicated to medicine, radiology and laboratory procedures (AMA CPT Editorial & Info Services, 2008). The second edition which was introduced in 1970, changed the codes from a four-digit to a five-digit codes and included diagnostic and therapeutic procedures in surgery, medicine and other specialties, as well as procedures pertaining to internal medicine (AMA CPT Editorial & Info Services, 2008). In 1983, the Health Care Finance Administration or HCFA adopted the CPT codes with the Common Procedure Coding System (HCPCS) and mandated all Medicare billing to use CPT codes. The mandate was later extended to Medicaid billing in 1986. In July the following year, the Centers for Medicare and Medicaid services (CMS), formerly HCFA, added the reporting of outpatient hospital surgical procedures (AMA CPT Editorial & Info Services, 2008). The CPT is copyrighted by the AMA which collects user's fees to help with the maintenance costs. An article by Andrew L. Schlafly (1997) alleges that the AMA had a secret pact with HCFA to ensure that CPT is the sole system of procedure nomenclature used by HCFA. In the same article, Schlafly indicated that the AMA collects \$133 million of non-dues fees, with its publication revenue, including the sales of CPT codes books, as its most prominent source (Schlafly, 1997).

CPT Editorial Panel

The CPT Editorial Panel consists of 17 individuals, 11 of which are physicians nominated by the National Medical Specialty Societies and approved by the AMA Board of Trustees (AMA CPT Editorial & Info Services, 2008). Representatives from CMS, the Blue Cross/Blue Shield Association, the American Hospital Association and the Health Insurance Plans are also in the panel. The remaining two members are from the CPT Health Care Professionals Advisory Committee (AMA CPT Editorial & Info Services, 2008). The panel is responsible for the maintenance of the CPT code set and has been authorized by the AMA Board of Trustees to revise, update or modify the CPT codes, descriptors, rules and guidelines.

CPT Advisors Committee

The CPT Advisors Committee comprised primarily of physicians also nominated by the National Medical Specialty Societies, provide support to the CPT Editorial Panel. In addition, the Performance Measures Advisory Committee (PMAC) also provides their expertise. The committee meets once a year to discuss issues and concerns on nomenclatures and coding. The primary objectives of the committee are the following as outlined by AMA:

- Serve as a resource to the CPT Editorial Panel by providing advice on procedure coding and appropriate nomenclature relevant to the member's specialty
- Provide documentation regarding the appropriateness of medical and surgical procedures being considered for inclusion in CPT
- Suggest revisions to CPT
- Assist in the review and development of pertinent coding issues and in preparation of technical education material and articles related to CPT
- Promote and educate its members on the use and benefits of CPT

Conclusion

Although Schlafly (1997) suggested in his article that money was the greatest motivator in the AMA's secret pact with HCFA to have CPT as the exclusive procedure coding system to be used, one has to acknowledge that the use of one system only has resulted in an expedited and appropriate reimbursement process. Physicians who were once unable to bill a procedure due to the lack of the appropriate terminology and code are now able to do so using the CPT.