



COLORADO
Department of Health Care
Policy & Financing
1570 Grant Street
Denver, CO 80203

Office & Outpatient Evaluation and Management Visit Complexity Add-on Code G2211

Benefit Determination Recommendation Memo April 2025

Problem Statement:

Beginning January 1, 2024, CMS finalized the implementation of a separate add-on payment for Healthcare Common Procedure Coding System (HCPCS) code G2211. This add-on code better recognizes the resource costs associated with evaluation and management visits for primary care and longitudinal care. It is applicable for outpatient and office visits as an additional payment, recognizing the inherent costs involved when clinicians are the continuing focal point for all needed services or are part of ongoing care related to a patient's single, serious, or complex condition. HCPF has not added G2211 to the Health First Colorado fee schedule, but providers have requested coverage.

There is an overlap between the services included in G2211 and the Accountable Care Collaborative's (ACC) payments to Primary Care Medical Providers (PCMPs). The ACC is built on the premise that primary care is the foundation of a high-performing health care system. The medical home model will continue to be a key aspect of the ACC in Phase III to ensure that members have a focal point of care to help coordinate and address their clinical and social needs. For Phase III, HCPF is evolving from the traditional patient-centered medical home (PCMH) model developed decades ago to the more modern Accountable Care Organization (ACO) model.

A critical role of the Regional Accountable Entities (RAEs) will be to support providers in transitioning away from fee-for-service and the older PCMH model to the more modern ACO-like model, and to earn rewards associated with HCPF's evolving APMs and related value-based payments (VBPs). Such payments can create more flexibility in care delivery, while financially rewarding improvements in member health equity and outcomes, and improving the cost-effectiveness of health care delivery.



Recommendation:

The Physician Services benefit manager does not recommend adding procedure code G2211 (*office and outpatient E/M visit complexity add-on*) to the Health First Colorado fee schedule. This recommendation is based on two factors:

1. The Finance Office's budget impact analysis, and
2. Discussions with the ACC and CCQI Research teams regarding the intent of the RAE care coordination dollars and alignment with value-based payments and alternative payment models in ACC Phase III.

A contributing factor to the significant budget impact is that no specific diagnosis is required for G2211 to be billed, and CMS has not further specified the need or indication for additional medical record documentation while reporting G2211.

The potential positive impact on member outcomes by covering G2211 is diminished by the overlap of ACC Phase III activities and payments, meaning PCMPs will already be eligible for enhanced payments for being the focal point of care for members. Adding G2211 to the fee schedule is also out of alignment with the goals of ACC Phase III to move away from a fee-for-service model to support providers. **Therefore, the Physician Services benefit manager recommends not covering G2211 on the fee schedule, as the pros do not outweigh the cons of a significant total budget impact of \$95,079,589 (General Fund impact: \$29,950,070).**

Options Considered:

Option 2: Add G2211 to the Health First Colorado Fee Schedule.

Adding the procedure code to the Health First Colorado fee schedule would require a budget request, given the significant fiscal impact of \$29,950,070 on the General Fund.

Criteria Used:

The Department examined member impact, fiscal impact, and quality of care as the three criteria to inform the recommendation.



Options Chart:

	Member Impact	Fiscal Impact	Quality of Care
Recommendation: Status Quo	All members	\$0	Unchanged
Option 2: Add G2211 to the fee schedule	All members	\$95,079,589 in the first year of implementation; \$29,950,070 on the General Funds	Slight Increase

Evidence/Research:

Family medicine is financially undervalued compared with other medical specialties, and reimbursement fails to recognize the valuable longitudinal care provided to patients. According to one estimate, a primary care physician earns approximately \$80,000 less than a subspecialist peer in Medicare reimbursement over one year.¹ Recognizing the additional costs “involved when clinicians are the continuing focal point for all needed services, or are part of ongoing care related to a patient’s single, serious condition or a complex condition,” CMS created this add-on code which provides an additional payment to supplement the costs “associated with evaluation and management visits for primary care and longitudinal care.”²

Visit complexity is inherent to evaluation and management associated with medical care that serves as the continuing focal point for all needed health care services and/or with medical care services that are part of ongoing care related to a patient's single, serious condition or a complex condition. Per CMS, the provider should be addressing the majority of the patient’s health care needs with consistency and continuity over longer periods of time. This includes furnishing services to patients on an ongoing basis that result in care that is personalized to the patient. The services result in a comprehensive, longitudinal, and continuous relationship with the patient and involve delivery of team-based care that is accessible, coordinated with other practitioners and providers, and integrated with the broader health care landscape.

As mentioned above, no specific diagnosis is required for G2211 to be billed, and CMS has not further specified the need or indication for additional medical record documentation while reporting G2211. There are some additional limitations in reporting G2211. Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs) are reimbursed at an

¹ Neprash HT, Golberstein E, Ganguli I, et al. Association of evaluation and management payment policy changes with Medicare payment to physicians by specialty. *JAMA*. 2023;329(8):662-669.

² “Calendar Year (CY) 2024 Medicare Physician Fee Schedule Final Rule.” *Centers for Medicare & Medicaid Services*, 2 Nov. 2023,



encounter-based rate, with G2211 bundled into this rate and not separately payable. In addition, Medicare will deny G2211 if it is reported with an outpatient E/M service and modifier -25 on the same day. Meaning that when another service or procedure is performed with the E/M service, G2211 cannot be added and billed.

Based on research completed by the Research & Analysis team in CCQI, states that are often referenced or aligned with Colorado policies (CA, MA, MN, NY, NC, OR, WA) were reviewed for inclusion of code G2211 in fee schedules. As only Oregon covered the code, Massachusetts noted that it was “non-payable” and the code was not listed in the other five state schedules, the search was broadened to include all states with Medicaid expansion. Of these 39 states, the code was located in the fee schedule of eight states: ID, IA, MD, MT, NJ, NM, OR, and VA, with fees ranging from \$8.22 (NJ) to \$21.54 (MT) and a mean of \$15.63.

Key Resources:

To inform the Benefit Determination Process, the Physician Services benefit manager reviewed the research analysis completed by the CCQI Research and Analysis team. To understand coverage of the new code, the benefit manager reviewed the CMS 2024 Medicare Physician Fee Schedule Final Rule and the MLN Matters article: How to Use the Office & Outpatient Evaluation and Management Visit Complexity Add-on Code G2211. Finally, the Department examined utilization data of the currently covered office E/M codes (99202-99215) to understand the potential fiscal impact of adding the code to the Health First Colorado fee schedule.

- CMS [2024 Medicare Physician Fee Schedule Final Rule](#)
- [CCQI Research](#): Benefit Determination Process: Complexity Add-on Code G2211
- MLN Matters Number: [MM13473](#)
- CMS’ Frequently Asked Questions (FAQs) [About Office/Outpatient \(O/O\) Evaluation and Management \(E/M\) Visit Complexity Add-On HCPCS Code G2211](#)
- Pristell C, Byun H, Park J. Continuity Matters: Financial Impact of the G2211 Code in Primary Care. Am Fam Physician. 2024 Aug;110(2):online. PMID: 39172668.

Implementation:

If the recommendation is approved:

- No Action Items

If the recommendation is not approved and G2211 is added to the fee schedule:

- Budget Request
 - Needed due to significant budget impact
- State Plan
 - No State Plan Amendment is needed to claim these services
- Colorado Revised Statutes
 - Nothing in CRS prohibits this coverage



- Code of Regulations
 - Nothing in CCR prohibits this coverage
- Systems configuration
 - No special configuration in the MMIS is needed
- Provider bulletin
 - Announcing coverage of G2211
- Policy Memo
 - Clarifying ACC Phase III PCMP incentives and G2211

For more information contact

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