NATREVMD

Is This Really a Level 4?

Twelve everyday outpatient encounters. The thin note, the defensible note, and what would change the result.

12
ANNOTATED CASES

2
NOTES PER CASE

0
SHORTCUTS TO A LEVEL

Companion resource · E/M Coding and Downcoding Webinar · natrevmd.com

TOOL 02

How to read a case

Diagnosis codes alone do not guarantee a specific E/M level. A note with a complex diagnosis but a thin narrative can be vulnerable to a reduction upon review. Each case below contrasts a typical thin note with a defensible, individualized one built on the 90-Second MDM Note Builder. **[1]**

Every case follows the same five steps

STEP 01

The problem

The clinical situation, in one line.

STEP 02

The thin note

Clinically accurate, but it hides the reasoning. This is what gets reduced on review.

STEP 03

The defensible note

Same encounter, same length range, with status, data, risk and plan made explicit.

STEP 04

Why it matters

What makes the stronger version defensible, and which MDM element it speaks to.

STEP 05

What changes the result

The change in fact pattern that would alter the outcome. The case teaches judgment, not a formula.

COMPLIANCE REMINDER

Important

This is not a “Level 4 checklist.” No diagnosis, template phrase, or single action automatically determines a code level. Apply the current MDM framework or total-time rules to the full encounter, and report only the service supported by the work actually performed and documented. **[1] [2]**

01

ANNOTATED CASE

The Worsening Chronic Condition

1 THE PROBLEM

Established patient with hypertension, currently uncontrolled on Lisinopril.

2 THIN NOTE VERSUS DEFENSIBLE NOTE

VULNERABLE

Hypertension. BP elevated today at 150/90. Add Amlodipine 5mg. Return in 4 weeks.

DEFENSIBLE

Status: Essential hypertension, currently not at goal (BP 150/90) despite adherence to Lisinopril 10mg.

Data: Reviewed home BP log; consistently elevated in the 140s/90s over the past two weeks.

Decision & Risk: Added Amlodipine 5mg daily. Discussed risk of hypotension and peripheral edema.

Next Steps: RTC in 4 weeks for BP check and basic metabolic panel.

3 WHY IT MATTERS, AND WHAT CHANGES IT

THE WHY

The defensible note clearly establishes a worsening or uncontrolled problem, documents the patient-specific information that informed management, and explicitly states the risks associated with the medication change. Not every clinically useful item of information independently counts toward the technical Data element; use the current MDM framework for final analysis.

THE WHAT IF

If the BP was at goal and the medication was simply continued without side effects, the MDM complexity would be lower; the final level would depend on the complete MDM analysis or, when used, total practitioner time.

BUILT WITH THE 90-SECOND MDM NOTE BUILDER

1 Status → 2 Data → 3 Decision & Risk → 4 Next Steps

02

ANNOTATED CASE

Diagnostic Uncertainty

1 THE PROBLEM

New patient with atypical chest pain; EKG normal in office.

2 THIN NOTE VERSUS DEFENSIBLE NOTE

VULNERABLE

Chest pain. EKG normal. Rule out GERD vs musculoskeletal. Start trial of Omeprazole.

DEFENSIBLE

Status: Atypical chest pain, new onset.

Data: In-office EKG reviewed; normal sinus rhythm, no acute ischemic changes.

Decision & Risk: Working assessment is GERD versus musculoskeletal pain, but cannot entirely rule out atypical cardiac etiology given age. Initiating Omeprazole trial.

Next Steps: Patient instructed to go to ER immediately if pain worsens, radiates, or is associated with shortness of breath.

3 WHY IT MATTERS, AND WHAT CHANGES IT

THE WHY

The defensible note captures the cognitive work of managing an undiagnosed new problem with an uncertain prognosis and documents the safety-netting necessary for a potentially high-risk symptom.

THE WHAT IF

If the pain was clearly reproducible by palpation (musculoskeletal) with no cardiac risk factors, the risk element would be lower.

BUILT WITH THE 90-SECOND MDM NOTE BUILDER

1 Status → 2 Data → 3 Decision & Risk → 4 Next Steps

03

ANNOTATED CASE

Medication Side Effects

1 THE PROBLEM

Established patient on Lisinopril, reporting a persistent dry cough.

2 THIN NOTE VERSUS DEFENSIBLE NOTE

VULNERABLE

Cough likely related to Lisinopril. Stop Lisinopril. Start Losartan.

DEFENSIBLE

Status: Hypertension, currently at goal, but patient reports a persistent dry cough that is likely an adverse effect of Lisinopril.

Data: Reviewed recent basic metabolic panel; renal function and potassium are normal.

Decision & Risk: Discontinued Lisinopril due to suspected adverse effect. Initiated Losartan 50mg. Discussed risk of hyperkalemia and hypotension.

Next Steps: RTC in 2 weeks for BP check and repeat potassium level.

3 WHY IT MATTERS, AND WHAT CHANGES IT

THE WHY

It documents the management of a treatment-related complication and the specific risks associated with the alternative treatment plan.

THE WHAT IF

If the cough was deemed unrelated (for example, a viral URI) and Lisinopril was continued, the risk profile and management decision would be different.

BUILT WITH THE 90-SECOND MDM NOTE BUILDER

1 Status → 2 Data → 3 Decision & Risk → 4 Next Steps

ANNOTATED CASE

04

Review of Outside Records

1 THE PROBLEM

Established patient following up after an ER visit for a minor laceration.

2 THIN NOTE VERSUS DEFENSIBLE NOTE

VULNERABLE

ER follow-up for laceration. Healing well. Suture removal today.

DEFENSIBLE

Status: Follow-up for right forearm laceration. Wound is clean, well-approximated, with no signs of infection.

Data: Reviewed ER note from 10/12; confirmed tetanus was updated in the ER and no deeper structures were involved.

Decision & Risk: Sutures removed today. Discussed signs of delayed infection and scar care.

Next Steps: Return as needed.

3 WHY IT MATTERS, AND WHAT CHANGES IT

THE WHY

The defensible note makes the cognitive work of reviewing the external ER record and extracting clinically relevant information visible. Apply the current MDM data rules to determine whether the record review contributes to the final Data element.

THE WHAT IF

If the ER record was not reviewed and the physician relied solely on the patient's history, that specific external-record review would not be part of the MDM analysis.

BUILT WITH THE 90-SECOND MDM NOTE BUILDER

1 Status → 2 Data → 3 Decision & Risk → 4 Next Steps

ANNOTATED CASE

05

The Multi-Morbidity Visit

1 THE PROBLEM

Established patient with stable diabetes and stable hyperlipidemia.

2 THIN NOTE VERSUS DEFENSIBLE NOTE

VULNERABLE

Type 2 DM, stable. Hyperlipidemia, stable. Continue current meds.

DEFENSIBLE

Status: Type 2 Diabetes (A1c 6.8%) and Hyperlipidemia (LDL 85), both currently at goal on current regimen.

Data: Reviewed in-house labs from yesterday.

Decision & Risk: Continuing Metformin and Atorvastatin. Discussed importance of continued adherence and diet to maintain current stability and prevent microvascular complications.

Next Steps: RTC in 6 months with repeat labs.

3 WHY IT MATTERS, AND WHAT CHANGES IT

THE WHY

Even when stable, addressing two or more stable chronic illnesses supports moderate complexity in the Problems column of the MDM table. The defensible note explicitly names the conditions and their status.

THE WHAT IF

If only one stable chronic condition was addressed, the Problem element would be lower; the final level would still depend on the remaining MDM elements and the work documented.

BUILT WITH THE 90-SECOND MDM NOTE BUILDER

1 Status → 2 Data → 3 Decision & Risk → 4 Next Steps

06

ANNOTATED CASE

Decision to Refer

1 THE PROBLEM

Established patient with worsening osteoarthritis of the knee, failing conservative therapy.

2 THIN NOTE VERSUS DEFENSIBLE NOTE

VULNERABLE

Knee OA. Still hurts. Refer to Ortho.

DEFENSIBLE

Status: Right knee osteoarthritis, worsening pain and decreased mobility despite NSAIDs and physical therapy.

Data: Reviewed recent weight-bearing X-rays showing severe joint space narrowing.

Decision & Risk: Conservative management has failed. Discussed surgical risks versus benefits. Referring to Orthopedics for evaluation for total knee arthroplasty.

Next Steps: Await Ortho consultation. Continue Meloxicam for symptomatic relief.

3 WHY IT MATTERS, AND WHAT CHANGES IT

THE WHY

The note documents the failure of current therapy and the cognitive work involved in deciding to escalate care to a surgical specialist.

THE WHAT IF

If the patient was just starting physical therapy and NSAIDs, the management risk would be lower than considering surgical escalation.

BUILT WITH THE 90-SECOND MDM NOTE BUILDER

1 Status → 2 Data → 3 Decision & Risk → 4 Next Steps

07

ANNOTATED CASE

Independent Historian

1 THE PROBLEM

Pediatric patient with a fever, history provided by the mother.

2 THIN NOTE VERSUS DEFENSIBLE NOTE

VULNERABLE

Fever x 2 days. Ear exam shows OM. Prescribe Amoxicillin.

DEFENSIBLE

Status: Acute otitis media, right ear.

Data: History of 2-day fever and poor feeding obtained from mother, as patient is pre-verbal.

Decision & Risk: Initiating Amoxicillin 90mg/kg/day. Discussed risk of GI upset and allergic reaction.

Next Steps: Mother to call if fever persists beyond 48 hours or if patient develops a rash.

3 WHY IT MATTERS, AND WHAT CHANGES IT

THE WHY

Explicitly noting that the history was obtained from an independent historian (the mother) may contribute to the Data element when an independent historian is required for the assessment under current guidelines.

THE WHAT IF

If the patient was a teenager who provided their own history, that independent-historian consideration would not apply.

BUILT WITH THE 90-SECOND MDM NOTE BUILDER

1 Status → 2 Data → 3 Decision & Risk → 4 Next Steps

ANNOTATED CASE

08

Discussion with Another Provider

1 THE PROBLEM

Established patient with abnormal thyroid labs, physician calls endocrinologist.

2 THIN NOTE VERSUS DEFENSIBLE NOTE

VULNERABLE

Abnormal TSH. Called Endo. Adjust Synthroid.

DEFENSIBLE

Status: Hypothyroidism, currently not at goal with elevated TSH.

Data: Discussed case directly with Dr. Jones (Endocrinology) regarding appropriate dose adjustment given patient's concurrent cardiac history.

Decision & Risk: Increasing Levothyroxine to 100mcg based on discussion. Discussed risk of palpitations and anxiety with dose increase.

Next Steps: Repeat TSH in 6 weeks.

3 WHY IT MATTERS, AND WHAT CHANGES IT

THE WHY

Documenting the direct discussion with an external physician may contribute to the Data element under the current MDM framework and makes the cognitive work of care coordination visible.

THE WHAT IF

If the physician simply adjusted the dose without the consultation, that specific documented external discussion would be absent.

BUILT WITH THE 90-SECOND MDM NOTE BUILDER

1 Status → 2 Data → 3 Decision & Risk → 4 Next Steps

09

ANNOTATED CASE

Social Determinants of Health

1 THE PROBLEM

Patient with asthma, unable to afford inhalers.

2 THIN NOTE VERSUS DEFENSIBLE NOTE

VULNERABLE

Asthma exacerbation. Out of meds. Give samples.

DEFENSIBLE

Status: Asthma exacerbation, moderate. Patient reports running out of Albuterol 2 weeks ago.

Data: Patient states they lost their insurance and cannot afford refills (SDOH: economic instability).

Decision & Risk: Provided Albuterol samples today to manage acute symptoms. Risk of severe exacerbation if untreated.

Next Steps: Social work consult placed to assist with medication assistance programs. RTC in 1 week.

3 WHY IT MATTERS, AND WHAT CHANGES IT

THE WHY

Documenting that diagnosis or treatment is significantly limited by social determinants of health elevates the Risk element of MDM to moderate.

THE WHAT IF

If the patient simply forgot to pick up the refill but had no barrier to access, the SDOH risk modifier would not apply.

BUILT WITH THE 90-SECOND MDM NOTE BUILDER

1 Status → 2 Data → 3 Decision & Risk → 4 Next Steps

10

ANNOTATED CASE

The Acute Uncomplicated Illness

1 THE PROBLEM

Healthy adult with a simple urinary tract infection.

2 THIN NOTE VERSUS DEFENSIBLE NOTE

VULNERABLE

UTI. Macrobid.

DEFENSIBLE

Status: Acute uncomplicated cystitis.

Data: In-office urinalysis positive for leukocytes and nitrites.

Decision & Risk: Initiated Nitrofurantoin 100mg BID x 5 days. Discussed risk of GI upset.

Next Steps: Patient to call if symptoms do not improve in 48 hours or if flank pain or fever develops.

3 WHY IT MATTERS, AND WHAT CHANGES IT

THE WHY

This demonstrates appropriate documentation for a lower-complexity visit. It clearly outlines the problem, the data (point-of-care test), and the low-risk management plan. The final code selection depends on the full MDM analysis or, when used, total practitioner time.

THE WHAT IF

If the patient was pregnant or had a history of recurrent, resistant UTIs, the problem complexity and management risk could increase.

BUILT WITH THE 90-SECOND MDM NOTE BUILDER

1 Status → 2 Data → 3 Decision & Risk → 4 Next Steps

11

ANNOTATED CASE

Minor Surgery in Office

1 THE PROBLEM

Incision and drainage of a simple abscess.

2 THIN NOTE VERSUS DEFENSIBLE NOTE

VULNERABLE

Abscess on back. I&D performed.

DEFENSIBLE

Status: Acute abscess, left upper back.

Data: Clinical exam confirms fluctuance.

Decision & Risk: Discussed risks of bleeding, infection, and scarring. Patient consented. Performed simple I&D (see separate procedure note).

Next Steps: Wound care instructions provided. RTC in 2 days for packing removal.

3 WHY IT MATTERS, AND WHAT CHANGES IT

THE WHY

The E/M note must establish the medical necessity for the procedure. If an E/M service is reported on the same date as a procedure, the documentation must support a separate, significant E/M service, and current modifier and payer rules must be followed. The procedure note should stand on its own.

THE WHAT IF

If the abscess was merely observed and warm compresses recommended, the management risk would generally be lower.

BUILT WITH THE 90-SECOND MDM NOTE BUILDER

1 Status → 2 Data → 3 Decision & Risk → 4 Next Steps

12

ANNOTATED CASE

Time-Based Coding, Counseling Heavy

1 THE PROBLEM

New diagnosis of Type 2 Diabetes requiring extensive education.

2 THIN NOTE VERSUS DEFENSIBLE NOTE

VULNERABLE

New onset diabetes. Discussed diet and exercise. Started Metformin.

DEFENSIBLE

Status: Type 2 Diabetes, new diagnosis.

Data: Reviewed recent A1c of 8.2%.

Decision & Risk: Initiated Metformin. Total time: 45 minutes spent on the date of the encounter. Time included face-to-face evaluation, extensive counseling on disease process, dietary modifications, exercise expectations, and medication side effects, plus care coordination with a diabetes educator.

Next Steps: Follow up with educator next week; RTC in 1 month.

3 WHY IT MATTERS, AND WHAT CHANGES IT

THE WHY

The extensive counseling required 45 minutes of the billing practitioner's time on the date of the encounter. Documenting the total time and summarizing the activities permits code selection based on time when that route is allowed and better represents the visit; verify the applicable current CPT® and payer requirements.

THE WHAT IF

If the time statement was omitted, code selection would need to rely on MDM rather than total time.

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