

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services  
7500 Security Boulevard  
Baltimore, Maryland 21244-1850



**CENTER FOR MEDICARE**

---

**DATE:** April 10, 2020

**TO:** All Medicare Advantage, Cost, PACE, and Demonstration Organizations

**SUBJECT:** Applicability of diagnoses from telehealth services for risk adjustment

The 2019 Coronavirus Disease (COVID-19) pandemic has resulted in an urgency to expand the use of virtual care to reduce the risk of spreading the virus; CMS is stating that Medicare Advantage (MA) organizations and other organizations that submit diagnoses for risk adjusted payment are able to submit diagnoses for risk adjustment that are from telehealth visits when those visits meet all criteria for risk adjustment eligibility, which include being from an allowable inpatient, outpatient, or professional service, and from a face-to-face encounter. This use of diagnoses from telehealth services applies both to submissions to the Risk Adjustment Processing System (RAPS), and those submitted to the Encounter Data System (EDS). Diagnoses resulting from telehealth services can meet the risk adjustment face-to-face requirement when the services are provided using an interactive audio and video telecommunications system that permits real-time interactive communication.

While MA organizations and other organizations that submit diagnoses for risk adjusted payment identify which diagnoses meet risk adjustment criteria for their submissions to RAPS, MA organizations (and other organizations as required) report all the services they provide to enrollees to the encounter data system and CMS identifies those diagnoses that meet risk adjustment filtering criteria. In order to report services to the EDS that have been provided via telehealth, use place of service code "02" for telehealth or use the CPT telehealth modifier "95" with any place of service.

Questions can be addressed to [RiskAdjustment@cms.hhs.gov](mailto:RiskAdjustment@cms.hhs.gov), please specify, "Applicability of telehealth services for risk adjustment" in the subject line.