AMA
AMERICAN MEDICAL ASSOCIATION

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Amy Flaster, MD
Chief Medical Officer
Cigna Healthcare (Rtg code - 3W.710)
900 Cottage Grove Road
Bloomfield, CT 06152

Dear Dr. Flaster:

On behalf of the physician and medical student members of the American Medical Association (AMA), I write to express strong concerns with Cigna's new Evaluation and Management (E/M) Coding and Accuracy policy (R49), which goes into effect October 1, 2025. Under this new policy, Cigna may reduce E/M Current Procedural Terminology® (CPT®) codes 99204-99205, 99214-99215, and 99244-99245 "to a single level lower when the encounter criteria on the claim does not support the higher level E/M CPT code reported." **We request that Cigna immediately rescind this policy, as it conflicts with current E/M coding guidelines and threatens our physician members with unfair, unwarranted payment reductions at a time when physicians face unprecedented financial challenges.**

As you are aware, substantive changes were made to the E/M CPT code set and reporting guidelines effective January 1, 2021, to reduce documentation burden on physicians and simplify coding. Selection of the appropriate level for an outpatient E/M visit is based on the level of medical decision making (MDM) or total time spent on the date of the encounter. **Notably, documentation from the medical record is needed to determine if the level of MDM or total time spent on the date of the encounter has been correctly coded.** Unfortunately, it appears that Cigna is inappropriately using the diagnosis code or other information reported on a claim as a proxy for the level of care to adjust payment. The AMA vigorously opposes health plans' use of algorithms or other automated tools to automatically downcode E/M services based solely on diagnosis codes or other claims data without complete review of the supporting medical record. CPT guidelines for E/M reporting clearly discredit this approach: *"The final diagnosis for a condition does not, in and of itself, determine the complexity or risk, as extensive evaluation may be required to reach the conclusion that the signs or symptoms do not represent a highly morbid condition*."[1] Cigna's new policy will result in unjustified reductions in physician payment, as there is no mechanism to prospectively review the evidence necessary to determine coding accuracy. This represents a major disservice to both your members and the physicians who, in good faith, care for them and expect to be appropriately paid for rendered services.

Beyond this clear misalignment with CPT guidelines, the AMA also holds significant concerns with the specific mechanics and lack of transparency associated with this new Cigna policy. All burdens associated with invalid downcoding will be placed squarely on physicians and their staff, who will be forced to waste valuable time filing appeals to fight for correct payment for treatment already delivered to your members. We are particularly alarmed that all reconsideration requests under this new policy will be handled via a dedicated fax line—an extremely onerous and time-consuming method to submit clinical

[1] *CPT 2025 Professional.* Chicago: American Medical Association. 2024: 9.

documentation. In addition, Cigna has not provided details on what claim data elements trigger automatic downcoding or how the rationale for downcoding will be communicated on remittance advice. This lack of transparency will make it even more difficult for physicians to successfully appeal inappropriate payment reductions.

The AMA firmly maintains that it is inappropriate and inconsistent with CPT guidelines to automatically downcode E/M services without a review of the underlying medical record. However, we are not suggesting that Cigna require submission of clinical documentation for all E/M services instead of implementing an automatic downcoding program. Such a blanket requirement would be tremendously burdensome and wasteful for both physicians and for Cigna. Rather, any request for supporting clinical records should be targeted and limited to only those outlier physicians whose coding patterns differ significantly from their peers. In cases where Cigna determines, following a medical record review, that a payment adjustment is warranted, the physician should be provided with complete, transparent information regarding the specific services subject to downcoding, detailed rationale for the adverse decision, and directions for how to appeal the decision.

Beyond limiting the scope of the policy, the AMA respectfully suggests that educational efforts would be a preferable, less burdensome approach to addressing coding concerns. The AMA fully supports and advocates for accurate use of E/M CPT codes and would appreciate the opportunity to review any underlying data that triggered this policy change. In addition, we would be happy to partner with Cigna in a campaign focused on correct selection of E/M codes and documentation guidelines. The AMA and our medical society colleagues have found past collaborative efforts with health plans on correct coding educational programs to be effective and sufficient to address any perceived coding issues without resorting to overly broad payment adjustments and/or medical record requests that penalize all physicians—the majority of whom properly document and code for E/M services.

While the AMA shares Cigna's strong commitment to correct use of E/M codes, we object to automatic downcoding policies that ignore CPT guidelines, threaten practices' financial well-being, and burden physicians and their staff. We urge Cigna to immediately rescind this harmful policy and instead consider alternative ways our organizations can constructively collaborate on coding education.

Please reach out to me directly at (312) 464-5288 or John.Whyte@ama-assn.org if you have questions or need further information.

Sincerely,

John Whyte, MD, MPH