

Dermatology Coding Alert

Base AK Treatment Coding on Method, Number of Lesions

Freezing, lasers, PDT or shaving--the correct code can be worth over \$190

Millions of Americans have actinic keratoses, according to American Academy of Dermatology research, and since AK is also the most common premalignant skin condition, your practice is likely to see a fair share of them.

Dermatologists have a wide array of options for treatment, so proper coding for each procedure option is essential to a large portion of your bottom line.

Diagnosis: ICD-9 code 702.0 (Other dermatoses; actinic keratosis) describes AK (also known as solar keratosis), says **Maureen Ripley**, office and billing manager at the Ellerin Medical & Cosmetic Dermatology Center in Burlington, Mass. Since an AK is a premalignant lesion, with a potential to turn cancerous, Medicare has considered their removal medically necessary since 2001.

"Medicare covers the destruction of actinic keratoses without restrictions based on lesion or patient characteristics," says the Medicare Coverage Issues Manual, section 35-101. "Commonly performed treatments for AKs include cryosurgery with liquid nitrogen, topical drug therapy, and curettage. Less commonly performed treatments for AK include dermabrasion, excision, chemical peels, laser therapy, and photodynamic therapy (PDT)."

Watch out: Don't confuse AK with 702.11 (Inflamed seborrheic keratosis), a non-cancerous skin growth. Unlike AK, Medicare does not always cover a dermatologist's removal of a seborrheic keratosis. CMS usually considers the removal cosmetic unless the growth is bleeding, painful, intensely itchy, purulent or impairs the patient's function in some other way.

Select Code Based on Treatment Method

The most common treatment option for AK is cryotherapy, but photodynamic therapy is rapidly gaining favor with dermatologists.

Cryotherapy: Report 17000 (Destruction, all benign or premalignant lesions [e.g., actinic keratoses] other than skin tags or cutaneous vascular proliferative lesions; first lesion) for the first AK lesion the dermatologist treats with cryotherapy.

If there are more than one lesions, report +17003 (... second through 14th lesions, each [list separately in addition to code for first lesion]) once for each additional lesion 2-14, says **Pamela J. Biffle, CPC, CCS-P**, [bdermatology coding](#) consultant and president of PB Healthcare Consulting and Education in Fort Worth, Texas.

If the dermatologist destroys more than 15 AKs, simply report one unit of 17004 (Destruction ... all benign or premalignant lesions other than skin tags or cutaneous vascular proliferative lesions, 15 or more lesions) alone.

To reimburse for the work involved in destroying over 15 lesions, Medicare assigns 5.22 nonfacility RVUs to 17004, compared with 1.60 assigned to 17000. Multiplying 5.22 by the 2005 conversion factor, 37.8975, yields \$197.82 for one unit of 17004.

Example #1: The dermatologist freezes 10 AKs. Code 17000 x 1 (for the first AK) and 17003 x 9 (for the second through 10th AK).

Caution: Never report 17003 alone. Since it's an add-on code, CPT rules dictate that you must always report it in conjunction with 17000.

Example #2: The dermatologist freezes 18 AKs. Report 17004 only once.

Electrodesiccation and laser surgery: Codes 17000-17004 also cover these methods of removing AKs, says **Jeffrey Weinberg, MD**, director of the Clinical Research Center of the department of dermatology at St. Luke's-Roosevelt Hospital Center in New York City. The same rules apply for reporting based on the number of lesions removed, he says.

Combine HCPCS and 96567 for PDT

Photodynamic therapy is a relatively new treatment in which the dermatologist applies a topical solution of 20 percent 5-aminolevulinic acid to atypical cells, then exposes them to light 14-18 hours later. The exposure to light causes selective cell death, doing minimal damage to the surrounding cells.

For the exposure to light, report 96567 (Photodynamic therapy by external application of light ...). For the topical solution (called ALA and sold under the brand name Levulan Kerastick), report HCPCS code J7308 (Aminolevulinic acid HCl for topical administration, 20%, single-unit dosage form [354 mg]).

Coding for PDT can be complex, since the procedure usually takes place over two days. On the first day, when the dermatologist applies the Kerastick, report J7308 for the supply. You may also be able to report an E/M code on this day, but be sure to check with your carrier.

When the patient returns after 14-18 hours for the light exposure, report 96567. Report this code only once per light-exposure session, no matter how many lesions the dermatologist treats or how long the session lasts.

(For more information on reporting an E/M code with lesion destruction procedures, see "3 Tips Help You Report 99201 With AK Codes" later in this issue.)

Check Carrier for Other AK Treatments

In some cases, other methods of dealing with AK are necessary. Some Medicare carriers will allow 11300-11313 (Shaving of epidermal or dermal lesion, single lesion ...) or 11400-11446 (Excision, benign lesion including margins ...) to treat AK only under certain conditions. Some carriers will even allow abrasion (15786-15787) or chemical peel (15788-15793). Check with your local carrier for its policy regarding these treatments.

Note: Local anesthesia is included in all of these procedures, Weinberg says. Do not code separately for anesthesia services.