

Dermatology Coding Alert

Carrier Update: File Away Debridement Woes With This Inside Scoop

Fend off audits of your 11040-11042 claims by correcting common mistakes

Because of the frequency of debridement services, an audit of 11040-11042 claims could cost your practice dearly. Investigate the four biggest debridement claim mistakes and make sure that your reporting standards can withstand carrier scrutiny.

Skin debridement codes are some of dermatology's most frequently reported services. But a slew of new carrier local coverage determinations (LCDs) and even audits in the past couple of years point to the fact that many practices are falling short of proper reporting.

Mistake #1: Ignoring Medical-Necessity LCDs

Dermatologists sometimes take it for granted that debridement is the best wound treatment option for a given patient, but you also need to know what your carriers have to say about medical necessity for debridement.

Many carriers, including Trailblazer, Cigna, and National Heritage Insurance Company (NHIC), have published LCDs indicating that codes 11040-11042 (Debridement; skin ...) are only appropriate for some or all of the following tissue types: devitalized, necrotic, infected, nonviable or dead tissue.

Get it in writing: For carriers with similar requirements, your dermatologist must document the nature of the debrided tissue to appropriately report codes 11040-11042.

For instance, a Trailblazer audit in spring of 2005 explained that one of the leading causes of flawed claims was that "documentation received did not support the presence of infected, necrotic, devitalized or nonviable tissue."

In other cases, Trailblazer found debridement medically unjustified to treat wounds with "pink to red granulated tissue." Even though the claims documented the nature of the wound, "granular tissue and well-adhered healthy skin edges are signs of good wound healing and usually do not need to be debrided," says Raiford Rattan, a physician and billing expert in Fort Worth, Texas.

Mistake #2: Diagnosis Code Disorder

Many dermatologists most frequently use debridement to treat diabetic wounds and ulcers. But if you're fumbling through the diagnosis coding for these patients, you can expect denials to follow.

When you're reporting other conditions alongside diabetes, proper coding techniques may keep you from getting paid. Many coders will see that in the case of ulcer codes (707.1x) or gangrene (785.4), for instance, ICD-9 instructs you to code any associated underlying conditions first, including diabetes mellitus (250.xx). But to recoup reimbursement, you'll need to know whether your payer wants you to override these instructions.

Reason: About two years ago, many payers changed their tune when it comes to ordering diagnoses, and now prefer to see the ulcer code as the primary diagnosis. "Carriers will want the primary diagnosis to reflect the acute condition" that warranted your physician's treatment, says **Suzan Hvizdash, BSJ, CPC**, physician education specialist for the department of surgery at UPMC Presbyterian-Shadyside in Pittsburgh.

Warning: Remember that proper coding dictates following ICD-9 instructions, which often put the systemic condition first. Therefore, check with your payer and attempt to get its policy in writing before veering from standard reporting

practices, because policies can "vary from state to state," says **Susan Vogelberger, CPC, CPC-H, CMBS**, business office coordinator for a surgery center at Beeghly Medical Park in Ohio.

Mistake #3: Expecting ICD-9 Code to Explain It All

While assigning a diagnosis code or codes that indicate a patient's condition to the highest level of specificity is an important step in debridement reporting, your description of the wound cannot end with a simple ICD-9 code.

Remember that for most conditions requiring debridement, your diagnosis codes will generally only describe the site of the wound (such as the 707 skin-ulcer series or the 892 open-wound range).

The dermatologist also needs to include measurements of the size and depth of the wound and a description of the type of skin debrided to meet proper reporting standards, Vogelberger says.

If your dermatologist fails to document any of these pieces of information in the medical record, you could face a challenge choosing the proper debridement code--and your carrier could find it equally impossible to reimburse for his services.

Mistake #4: Failure to Document Wound Progress

Many carriers, including Trailblazer, consider debridement to be appropriate for "wounds that are refractory to healing or have complicated healing cycles." In other words, you will often need to document multiple treatments for debrided wounds.

Leave a paper trail: To recoup payment for a series of debridements, you should record the wound's response to treatment and progress toward healing with daily procedural and progress notes. Document the following:

- current wound size
- depth
- presence and extent of or absence of signs of infection
- presence and extent of or absence of necrotic, devitalized or nonviable tissue.