Dermatology Coding Alert

CCI 16.3Update: Include Wound Repair in Free-Flap Grafts or Risk Denials

Also: Watch for new debridement and recipient site prep bundles.

If you're in the habit of coding separately for wound repair when your dermatologist performs a free-flap graft procedure, watch out: The latest update to the Correct Coding Initiative (CCI), Version 16.3, will have you changing that habit soon.

The new revision, effective Oct. 1, 2010, creates a coding bundle naming simple wound repair codes 12001-12007 (Simple repair of superficial wounds of scalp, neck, axillae, external genitalia, trunk and/or extremities [including hands and feet] ...) and intermediate wound repair codes 12031-12037 (Repair, intermediate, wounds of scalp, axillae, trunk, and/or extremities [excluding hands and feet] ...) and 12041-12047 (... wounds of neck, hands, feet and/or external genitalia) as intrinsic components of:

- 15756 -- Free muscle or myocutaneous flap with microvascular anastomosis
- 15757 -- Free skin flap with microvascular anastomosis
- 15758 -- Free fascial flap with microvascular anastomosis.

What this means: In the above pairings, CCI lists the wound repair codes (12001-12007, 12031-12037, 12041-12047) as Column 2 codes, which means that they are considered components of the more comprehensive codes (15756-15758) under Column 1. Medicare -- and private payers who follow Medicare payment rules -- will not pay for two bundled codes billed for the same patient on the same day; payers will deny payment for the Column 2 code and reimburse only for the Column 1 code.

Don't miss: These bundles have a modifier indicator of "1." Therefore, you may use a modifier, such as 59 (Distinct procedural service), to override the edit if the clinical circumstances warrant separate reimbursement, such as a separate encounter on the same date, a separate anatomical site, or a separate indication.

Example: A dermatologist performs a simple 2-cm repair on a patient's left hand, but a wound on the trunk requires a skin flap. Because these are separate sites, you can report the procedures separately, says **Pamela Biffle, CPC, CPC-I, CCS-P, CHCC, CHCO,** owner of PB Healthcare Consulting and Education Inc. in Watauga, Texas. Report 15757 and 12001-59 (... 2.5 cm or less; Distinct procedural service), appending the modifier (59) to the Column 2 code (12001) to break the bundle.

Catch This Debridement/Site Prep Bundle

CCI 16.3 addresses another aspect of your skin graft coding with a new edit bundling 11040 (Debridement; skin, partial thickness) as a component of 15002 (Surgical preparation or creation of recipient site by excision of open wounds, burn eschar, or scar [including subcutaneous tissues], or incisional release of scar contracture, trunk, arms, legs; first 100 sq cm or 1 percent of body rea of infants and children) and 15004 (... face, scalp, eyelids, mouth, neck, ears, orbits, genitalia, hands, feet and/or multiple digits; first 100 sq cm or 1 percent of body area of infants and children).

This edit indicates that Medicare considers debridement to be an essential component of site prep procedures. However, CCI has also marked these bundles with modifier indicator "1," so you may report 11040 along with 15002 or 15004 under appropriate clinical circumstances with an appropriate modifier.

Example: A patient has burns in multiple locations. A burn on his left leg requires only debridement (11040), while a burn on his right arm requires debridement and a 20 sq. cm skin graft (15002). Report both codes, appending modifier 59 to 11040.

New Edits Target Hematoma, Nail Repair

Watch for other CCI 16.3 edits that may affect your dermatology coding. As of October 1, CPT code 11740 (Evacuation of subungual hematoma) now includes 10140 (Incision and drainage of hematoma, seroma, or fluid collection) and 10160 (Puncture aspiration of abscess, hematoma, bulla, or cyst).

Also, code 11762 (Reconstruction of nail bed with graft) now includes 11730 (Avulsion of nail plate, partial or complete, simple; single). As with the other edits mentioned above, these bundles are marked with modifier indicator "1," allowing separate reporting if clinically necessary, with the appropriate modifier appended to the component (Column 2) code.

"These would not be used together on the same site," cautions Biffle. "They would have had to be performed on different nails."

Do this: To clarify your coding, use these HCPCS site modifiers in addition to modifier 59, suggests Biffle:

- FA -- Left hand, thumb
- F1 -- ...second digit
- F2 -- ...third digit
- F3 -- ...fourth digit
- F4 -- ...fifth digit
- F5 -- Right hand, thumb
- F6 -- ...second digit
- F7 -- ... third digit
- F8 -- ...fourth digit
- F9 -- ...fifth digit
- TA -- Left foot, great toe
- T1 -- ...second digit
- T2 -- ... third digit
- T3 -- ... fourth digit
- T4 -- ... fifth digit
- T5 -- Right foot, great toe
- T6 -- ... second digit
- T7 -- ... third digit
- T8 -- ... fourth digit
- T9 -- ... fifth digit.

Example: A dermatologist reconstructs the nail bed on a patient's left thumb, and performs avulsion of the nail of the second digit of the right foot. Report 11762-FA and 11730-59-T6. List modifier 59 first with the location modifier second, advises Biffle.