

Dermatology Coding Alert

Consults Vs. Referrals: Coding Experts Unlock the Secrets

Your dermatologist's opinion should come with a price

Whenever your dermatologist performs a consult, make sure his documentation includes the original request for his opinion and his report back to the requesting physician.

Without documentation that adheres correctly with CMS and CPT guidelines, you may lose out on well-deserved pay for your dermatologist's hard work.

Know Your Consult Codes

CPT includes four types of consultation codes:

1. Office or other outpatient (99241-99245)
2. Initial inpatient (99251-99255)
3. Follow-up inpatient (99261-99263)
4. Confirmatory (99271-99275).

When another practitioner requests your dermatologist's opinion about a patient's condition, you should report a consult code.

Example: A patient presents to her primary-care physician with a suspicious-looking mole. The PCP cannot establish a diagnosis and asks a dermatologist to evaluate the patient and give his opinion regarding the patient's condition and possible treatment methods.

The dermatologist examines the patient's mole and decides to perform a biopsy to determine whether the mole is benign or malignant (11100, Biopsy of skin, subcutaneous tissue and/or mucous membrane [including simple closure], unless otherwise listed; single lesion).

Coding advice: The dermatologist's service qualifies as an office consultation, and you should report the appropriate code from the 99241-99245 range depending on time spent with the patient, key components, and level of problem severity, in addition to the other procedure codes (11100), says **William J. Conner, MD**, founder of Conner Health Clinic, a multispecialty practice in Charlotte, N.C.

Transfers Define Referrals

Without a request, you won't be expected to produce a report. A referral, on the other hand, is the transfer of responsibility for a patient's care from one physician to another, says **Marvel Hammer, RN, CPC, CHCO**, owner of MJH Consulting in Denver.

Example: A 23-year-old female established patient reports to her family practice physician with lesions on both arms. The family practice physician refers the patient to a dermatologist for treatment.

The dermatologist evaluates the patient and decides to perform a biopsy of one of the skin lesions (minor surgery). The patient is then diagnosed with dermal lesions of the arms (709.9).

Because the family practice physician does not ask the dermatologist to render an opinion on the patient's condition, the dermatologist should code his service with a new patient office visit code (99201-99205).

At that first visit, the dermatologist schedules the patient for a shave removal procedure, so you should also report a code from the 11300-11303 series (Shaving of epidermal or dermal lesion, single lesion, trunk, arms or legs; ...), depending on the size of the lesion.

Don't miss: Choose your wording carefully because one word can make all the difference to your practice's bottom line.

"Doctors frequently say to patients things like, 'I'm going to refer you to a specialist to see exactly what your problem is.' But they aren't clear when they say the word 'refer,' and this can spell trouble for coders trying to choose a correct E/M service code," Hammer says.

The bottom line: Don't report a consult unless another physician requests it and your dermatologist sends a report back to him.

Communication Is a Must

Remember: Although Medicare requires you to send a written report back to the requesting physician, CPT isn't as specific. The January 2002 CPT Assistant states, "CPT nomenclature does not specify what form the communication must take.

"The consultant may call the requesting physician or other appropriate source on the phone to discuss his or her findings, or he or she may write a report and send it to the requester. If the communication is verbal, the phone call and the discussion during that phone call should be documented by both the physician requesting the opinion and the consultant providing the response."

Red flag: Billing a consultation code when the service doesn't meet the definition of a consult can land a dermatology practice in hot water with the Office of Inspector General and with the state attorney general - not to mention invite an audit. "If you report a consult without documenting the request, you're overbilling," Hammer says.

Note: Turn to "Consider Modifier -25 for Consult With Same-Day Treatment", this issue.