

## Dermatology Coding Alert

### E/M Coding: 3 Ways Comparative Billing Reports Can Rescue Your Coding

**Use the CBRs as springboards to gauge your accuracy.**

Your MACs are reviewing the most commonly-billed E/M codes and looking for practices that fall outside of the averages—so shouldn't you be doing the same thing? Several Part B payers have recently released their latest comparative billing reports, allowing you to see which codes other practices are reporting and ensure that you aren't too far off the mark.

**Background:** If a MAC looks at E/M coding curves—which show the range of codes billed from low-level to high-level—the MAC will scrutinize the curves that are heavily weighted to the high side because they'll look for whether the practice was overpaid. However, many carriers are also looking at those practices that err to the low side of the curve because that also indicates that incorrect coding might be happening.

It's a good idea to keep an eye on the comparative billing reports that your MACs release to see where you fall on the curves. Most Part B contractors post these on their websites in an effort to educate the provider community about the averages. Use the following three tips to ensure that you maximize the data in these comparative billing reports.

#### 1. See Where Your Practice Falls

Reviewing comparative billing reports (CBRs) allows you to determine whether your billing habits are similar to other practitioners nationwide. The statistics are broken down by specialty, so if you're a dermatologist, you don't have to compare your E/M billings to orthopedic surgeons—you can check just the dermatology information.

Keep in mind that practices that are billing significantly higher codes aren't necessarily defrauding Medicare. You might be treating sicker patients, and you may not have the same insurance case mix as other practices. The information in the comparative billing files includes Medicare patients only—and since you probably see patients from Medicare, Medicaid, private payers, workers' compensation and other sources, your case mix will be different.

However, the data is still helpful as an overall view of where your coding patterns may fall. Once you download the CBR from your MAC, look for your specialty designation to see what the average coding patterns are for specialists like you in your state and across the country.

For instance, Part B payer Palmetto GBA notes that the most common established patient office visit codes billed by dermatologists in South Carolina last year was 99213, which is in line with dermatologists nationwide. Only 0.2 percent of E/M codes billed by dermatologists nationwide were 99215s during that period, so if your dermatology practice has significantly more of its claims billed as 99215s, you may want to examine that more closely.

**Source:** South Carolina E/M Procedure Code Range Summary, dates of service Jan. 1, 2014 to June 30, 2014.

#### 2. Spot Audit Random Charts

Reading your CBRs should be a springboard to auditing some of your practice's files by selecting random charts and reviewing them to determine whether the correct E/M code was reported in each encounter note.

"If you bill E/M services to Medicare, we recommend that you perform a self-audit of your billing and documentation practices to ascertain if problem areas exist which may warrant further education or corrective actions," says Part B MAC WPS Medicare on its website.

During your self-audits, check the chart documentation on the randomly sampled claims, determine which E/M code you would report for the service, and then check what the physician actually billed. Keep a tally of any discrepancies so you know what to discuss with the doctor later, when you can offer the physician tips on how to select the right E/M code.

Again, your numbers may fall outside of the norms for your specialty, and that's okay as long as the documentation supports the codes billed and you can find justification of the medical necessity for each visit in the notes.

### **3. Compare Practitioners to Each Other**

Once you've compared your practice to other like specialists in your area, another smart tactic is to compare the practitioners in your practice to one another. Some coders report that their practice's coding habits fall in line with the national averages, but on closer inspection they find that one physician habitually overcodes while another undercodes too often, thus leading to the misleading "normal" averages.

If you find any practitioners whose charts fall well outside the curve, examine whether they are billing appropriately or not. If their codes match the documentation, you shouldn't need to worry. But if they seem to be miscoding a lot of files, it's time to take that practitioner aside and offer some E/M selection education.