Dermatology Coding Alert

Excisions: Use 3 Steps to Ethically Add $37 to This Excision Claim

Measurement, report, location ensures coding accuracy.

Patience is a virtue, particularly when it comes to coding lesion removal.

Waiting for the pathology report to come back is critical for choosing the correct benign or malignant excision set. Use these steps to prevent mislabeling a patient and assigning a lesser paying code.

Step 1: Encourage Your Dermatologists to Measure First

You should select the appropriate lesion excision size code based on the physician's report. "If the physician doesn't measure the lesion before he cuts it out, he's cutting his reimbursement in half," says **John F. Bishop, PA-C, CPC, MS, CWS,** president of Tampa, Fla.-based Bishop and Associates.

Once the specimen is put in the jar, the specimen shrinks down to half its original size, Bishop says. If the doctor doesn't put the original size in the note, the coder has to code based on the smaller excision size listed in the pathology report. "That will cost the practice a lot of money," he points out.

CPT's excision sizes, including margins, are based on the dermatologist's measurements.

"Train providers to measure an excision, and document it with a statement, such as 'I'm going to excise this X cm length by X width lesion. I took 4 cm margins,'" Bishop says. Explain the financial impact of including these details.

Reminder: If documentation indicates the margin is applicable to both sides of the lesion, double that measurement. For instance, taking a 4 cm margin on each side of the lesion equals a total of 8 reportable cm in addition to the diameter of the lesion itself. "Don't let your physicians cut themselves short," Bishop encourages.

Step 2: Wait for Path Report

You should always choose the malignant or benign excision code based on the results of the pathology report even if the physician did not know at the excision time that the lesion was malignant. The pathology report offers the definitive diagnosis that serves as the basis for the CPT excision code selection.

A dermatologist might sometimes visually identify a lesion as benign or malignant, but you still want to code the excision based on the pathology report. For malpractice reasons, the physician has to protect himself in the event a benign-appearing lesion really ends up being malignant, Bishop says. On the flip side, you don't want to mislabel the patient. The diagnosis could cause the patient's insurer to drop coverage.

Proper protocol: "We always choose the excision code after the pathology report returns," says **Robyn Markussen,** in the coding department of Family Practice Associates PC in Kearney, Neb. "If the pathology shows malignancy, we code the procedure as excision of a malignant lesion."

Downplay concerns that patience could cause payment losses. "Sitting and waiting for three to four days for the path report does not change cash flow," assures Bishop.

Step 3: Check Anatomical Grouping

After receiving the pathology report, review the documentation for excision size and location. "Then it's all about location from the anatomical site to make sure the practice is getting all revenue," Bishop notes.

Choose the correct code by adding the greatest clinical diameter of the apparent lesion and the margins. Each anatomical group contains lesion excision sizes ranging from small to large lesions.

CPT groups lesion excision codes into three anatomical groups:

Example: Documentation reads, "I'm going to excise this back 1.0 cm length by 2.0 cm width lesion. I took 0.2 cm margins." The pathology report comes back benign, and you mark 11403 (Excision, benign lesion including margins, except skin tag [unless listed else-where], trunk, arms or legs; excised diameter 2.1 to 3.0 cm) for the 2.4 cm codeable size ([2.0 lesion diameter] + [0.2 x 2 margins]). If, however, the dermatologist had failed to document the size and the pathology report measured a 1.0 cm lesion plus 0.1 margins, you could code only 11402 (... excised diameter 1.1 to 2.0 cm), resulting in a loss of $22 (Code 11403 has 4.71 transitional nonfacility total relative value units [RVUs] compared to 11402, which the 2010 Medicare Physician Fee Schedule assigns 4.08 RVUs).

Forgetting to give the dermatologist credit for the margins would reduce the code to 11401 (... excised diameter 0.6 to 1.0 cm). This would cost the practice approximately $37 (Code 11401 contains 3.66 RVUs, as compared to 11403's 4.71 RVUs).