

Dermatology Coding Alert

Reader Questions: Charge Outpatient Consult for Observation

Question: Another doctor asked my dermatologist for a consult with a patient who had been admitted for an observation stay. Should I use 99218-99220?

New Hampshire Subscriber

Answer: Because your dermatologist is involved with the patient in a consultative capacity, you should report his services with the appropriate outpatient consultation code (99241-99245, Office consultation for a new or established patient...).

If the consulting physician advises the primary-care physician to admit the patient, and this subsequently occurs on the same day as the consult, then the consulting physician should bill for an inpatient consultation (99251-99254, Initial inpatient consultation for a new or established patient...).

If the consulting physician assumes care and decides to admit the patient, then code the service with the applicable initial inpatient care code (99221-99223, Initial hospital care, per day, for the evaluation and management of a patient...).

Only one physician can bill the observation admit codes (99218-99220, Initial observation care, per day ...) per observation stay. Because observation is an outpatient setting, all other physicians treating the patient in observation should report outpatient care codes.