

Dermatology Coding Alert

Reader Questions: Discover Payer Supply Rules

Question: Can I use 99070 to report the use of supplies at our dermatology office?

Iowa Subscriber

Answer: Typically, no, you should not report 99070 (Supplies and materials [except spectacles], provided by the physician over and above those usually included with the office visit or other services rendered [list drugs, trays, supplies, or materials provided]) for supplies your dermatologist uses in the office.

The AMA and Medicare already factor essentials into a code's values on the physician fee schedule. If you're doing a procedure in the office that requires tools, surgical trays, or other supplies, the reasonable expectation is that you will be using equipment and the pricing for the procedure accounts for those costs. The purpose of the site of service differential in the Medicare fee schedule is to include these supplies and services -- that's why you get paid more for the same procedure done in the office versus a facility.

For example, if the doctor does a biopsy in the office (such as 11100, Biopsy of skin, subcutaneous tissue and/or mucous membrane [including simple closure], unless otherwise listed; single lesion), he will use equipment to do it, and he may need to close the biopsy site with simple closure by suture or bandage. The nonfacility pricing for the biopsy code includes these supplies and you should not bill them separately.

With that said, you can use 99070 for separately billable supplies in your office. A better choice would be to use HCPCS Level II codes, however, because they describe the supply in much more detail and payers link them to a specific reimbursement. If you use 99070 you will need to provide a description of the supply and possibly a copy of the invoice from your supplier for pricing.