

Dermatology Coding Alert

Recipe for Billing Success: Urge Your Carrier to Expand 1500 Form to Recognize Multiple Diagnoses

Complex patients require more than a few diagnosis codes, and your carriers may finally be catching up. Incorporation of the new CMS-1500 form may present you with the perfect opportunity to convince your carriers to accept additional diagnosis codes, which often explain medical necessity, on your claims.

Let Change Work in Your Favor

What's new: CMS recently issued a transmittal (CR5441) instructing carriers to consider all diagnosis codes on a claim, up to eight codes. The carriers have until July 1 to update the Medicare carrier standard system to meet this requirement.

This change will definitely help with conditions that require more than one code to report, such as diabetic complications, says **Jan Rasmussen** with Professional Coding Solutions in Eau Claire, Wis. It could also help with preoperative V72.8x codes, where the medical necessity will come from the secondary codes, not the V code.

If the carriers actually start considering multiple diagnoses for payment, this will be a huge step forward, says **Quinten Buechner** with ProActive Consulting in Cumberland, Wis.

For example: You may have a patient who's diabetic but also has high cholesterol and borderline high blood pressure. The patient might have a high-level evaluation and management visit because of the combination of all three of those problems, Buechner says.

Incorporate Diagnosis Acceptance With Form Changes

The real problem: Will the carriers allow more than one digit in Box 24-E on the

CMS-1500 form, which tells the carriers which diagnosis to assign to a particular procedure?

You can now list up to four diagnoses on the 1500 form, but some carriers will require you to put the number (from one to four) of the main diagnosis next to each procedure.

Solution: You should urge your carrier to allow you to list more than one digit in Box 24-E, Buechner says. For example, if the first, third and fourth diagnoses are relevant, you should be able to list "1, 3, 4" in the box. That would be a really helpful change, he says.

Otherwise, it doesn't matter how many diagnoses you can list, because only one will be useful for anything but appeals, he says. In an appeal, you can point to all eight of your diagnosis codes and say, "It's not my fault you can't figure out which ones really will apply, because you won't let me tell you which ones apply."

Accepting more than one digit in Box 24-E would also help the ongoing problem with screening colonoscopies that find a polyp, Buechner adds. You could list the screening V code first, but also add the polyp code, and link the procedure to both diagnoses in Box 24-E.

Good timing: Because carriers and your software vendors need to be ready for the new CMS-1500 form you'll be required to use in April, now is the time to push them to accept multiple diagnoses.

Bonus: For more information on the other CMS-1500 form changes, see the articles "Winning Strategies Help You Make the Transition to New CMS-1500" and "Get Up to Speed on the CMS-1500 Changes" in the September 2006 issue of



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