

Internal Medicine Coding Alert

Be Prepared to Track New CCI "Secret Codes" and Ward Off Payment Denials

Internal medicine practices may find themselves on the receiving end of some unexpected claim denials as the Health Care Financing Administration (HCFA) begins its implementation of a new package of 500 edits (computer instructions that verify claim validity) to its Correct Coding Initiative.

The main problem?

HCFA is not making these edits available to providers. Because the administration contracted with a private company, GMIS Product Group (a subsidiary of Atlanta-based HBO and Company), to use edits from its commercial software package, Claim Check, the edits have been deemed proprietary information. Only the Medicare carriers will have access to them.

What this means, says **Barbara J. Cobuzzi, MBA, CPC**, president of Cash Flow Solutions, Inc, a billing company in Lakewood, NJ, is that Medicare carriers are going to be considering several procedures and services bundled in certain situations, but physician practices aren't going to know what the new bundles are until they submit a claim that is later denied.

Basically, we just aren't going to know until it gets denied, she says. And, we aren't going to know if they are just denying it arbitrarily or if it's on the list. I personally have seen carriers make mistakes and deny valid claims. This way we will have no way to fight them.

Since its inception in 1996, CCI has instituted some 93,000 coding edits, she says. The majority of these primarily impact surgical and procedural-intensive practices like cardiology or orthopedics.

However, the new edits could also affect internal medicine practices more, Cobuzzi says, but no one is sure.

Maybe EKGs are going to be considered bundled with the E/M, she explains. I'm not really sure what the edits will involve. But, if they start bundling EKGs and chest x-rays in with the exam, then the primary care docs are really going to be hit.

How Did This Happen?

Last fall, HCFA concluded its test of a commercially available software program, Claim Check. The administration's goal at the time was to determine if use of this software, instead of the CCI program developed by the administration, would result in greater savings to the administration and increased efficiency in the form of a commercially available outside product that could verify claim information, HCFA administrator **Nancy Ann Min-DeParle** told a congressional subcommittee in May of this year.

Testifying before the subcommittee on oversight and investigations of the House Committee on Commerce, DeParle stated that the test revealed that the software would not meet Medicare needs, but that it did contain several edits not currently in use by HCFA's CCI that would provide substantial savings to the program.

The testing, concluded last fall, determined that the additional edits tested, but not the software, result in real savings in addition to the savings we are already attaining from our Correct Coding Initiative, she stated.

The administrator went on to estimate that the new edits could save Medicare as much as \$465 million annually in

improper claim payments.

Disclosure Issues

Although DeParle noted that CCI edits have routinely been made available for public review, and several commercial claims processing software programs include the edits in their products, she stated that these new edits would not be made available because of ownership issues and the need to stay ahead of unscrupulous providers.

Other payers, among them the Department of Defense, Veterans Administration, and several state Medicaid programs, already use commercial edits without releasing the actual edits to the public, she continued.

The chief reason the administration wishes to keep the information private is to discourage unscrupulous providers from gaming the system. However, DeParle did state the administration was aware that the majority of edits were not related to fraud and abuse issues. Not releasing edits for public view, particularly where physician gaming is not an issue may be a matter of concern to physicians who have been allowed to review our Correct Coding Initiative edits, she concedes.

The AMA has already passed a resolution condemning what it calls black box edits, not made available for public review.

What Do the Edits Cover?

The edits fall into two general areas: procedure-to-procedure edits, and diagnosis-to-procedure edits, DeParle told committee members.

Procedure-to-procedure edits are designed to ensure that Medicare does not pay separately for services that should be paid for together. HCFA evaluated 500 of these edits in the software package.

Diagnosis-to-procedure edits, the second area covered by the new edits, involve instructions designed to detect claims that are invalid because the procedure is not appropriate for the given diagnosis. For example, bypass surgery ordered for simple chest pain, DeParle explained.

Current CCI does not include any diagnosis-to-procedure edits, she added. The administration looked at 900 such commercial edits from the software package.

After evaluating the edits, HCFA contracted with HBOC to use 500 of them, says Cobuzzi. No one knows how many of which type of edits were included.

Although providers will not have access to the actual edits, HCFA will allow carriers to share the rationale behind the edits with physicians, DeParle says. At the very least we will make the policy rationale available to anyone, and provide the coverage policy rationale when any claim denial is based on a commercial edit.

What Action Should Practices Take?

Thomas Lewis Nelson, Esq., former legal counsel to HCFA who is now with the law firm Nelson and Hine in Nashville, TN, says physicians arguably have a legal right to this information.

Its not a slam dunk case, but providers have a good argument that they are entitled to this information, particularly given the current state of enforcement, he says.

Because HCFA is a public entity, its records are open to the public under the Freedom of Information Act (FOIA), he explains. Because these edits came from a private entity, one of HCFAs arguments might be that the edits are the property of that company. I doubt, however, that a court would find that argument terribly persuasive. HCFA could have done the edits on its own instead of contracting with a company. Its unlikely that HCFA could absolve itself of its legal obligations just by contracting with a private company to do what it could have done itself.

1. Seek information under FOIA. As a first step, practices may file FOIA request with the administration seeking this

information. There is a standard procedure for this and HCFA even lists how to file such a request on its web site (www.hcfa.gov).

2. Keep a log of commercial edit denials. Cobuzzi recommends that practices track any denials they get that are related to a commercial edit.

The only thing I can say is keep a log of every one of these edits to see if there is any consistency to them, she says. Basically, the way I look at it is, if we get a denial and it is not part of CCI, then we will have to call the carrier and say, This is not part of CCI and they will have to tell me its a commercial edit. Its an extra phone call and, basically, it will amount to extra work.

3. Share information and resources with other practices and organizations. Cobuzzi and Nelson recommend coordinating efforts with other physician practices to share information about commercial-edit denials and to work to change HCFAs policy.

Lobbying a select group of legislators might help turn the situation around, Nelson says. But, ultimately, litigation may be necessary to resolve the situation.

Note: Internal Medicine Coding Alert wants to help you with these issues. If you experience unexplained claim denials, send questions to our office at 800/508-2592. We will try to find the answers and help you network with other practices to share information and outline solutions.