

Internal Medicine Coding Alert

Make 3 Changes to Your Nebulizer Coding And Slash Your Denials

Key: Incorporate the HCPCS DuoNeb supply code

You can keep payment rolling in for inhalation solutions simply by adding one new J code and removing two deleted ones from your encounter sheet.

If you've been monitoring your evaluation of benefits for nebulizer medication charges, you may have noticed some problems--such as receiving "invalid code" denials from Blue Cross on inhaled albuterol J7616, says **Helen Bullock**, office manager with a primary-care office in Louisiana.

Leap over these reimbursement hurdles by taking a few simple precautions.

1. Eliminate J7616, J7617 Listings From Superbill

BCBS denied Bullock's claims for J7616 (Albuterol, up to 5 mg and ipratropium bromide, up to 1 mg, compounded inhalation solution, administered through DME) because the 2006 HCPCS Level II manual discontinued the code, says **Lynn M. Anderanin, CPC**, director of coding and appeals for Healthcare Information Services in Des Plaines, Ill. HCPCS also deleted the other compounded inhalation code J7617 (Levalbuterol, up to 2.5 mg, and ipratropium bromide, up to 1 mg, compounded inhalation solution, administered through DME).

Reason: CMS decided to revise the codes for albuterol/levalbuterol with ipratropium bromide to eliminate confusion over compounded versus premixed solutions. The new code J7620 excludes inhalants that a pharmacy or physician compounds, says **Elizabeth Spurgin** of Aventor Reimbursement.

2. Include J7620 as DuoNeb Supply Code

When a staff member administers a nebulizer treatment that contains a compounded inhalation solution of albuterol and ipratropium bromide, you should most likely report the medication with new code J7620 (Albuterol, up to 2.5 mg, and ipratropium bromide up to 0.5 mg, non-compounded). Code J7620 now describes a single dose of DuoNeb Inhalation Solution, Spurgin says.

To more accurately reflect the solution's make-up, CMS decided to discontinue J7616 and establish a new "J" code, according to a CMS-HCPCS workgroup meeting. Internists use DuoNeb Inhalation Solution's dual-therapy to treat bronchospasms associated with chronic obstructive pulmonary disease (COPD) for patients who require more than one bronchodilator. The product combines two respiratory solutions in one premixed, premeasured, 3-mL unit-dose vial for nebulization: albuterol sulfate (2.5 mg) and ipratropium bromide (0.5 mg).

3. Use Individual Codes for Compounded Solutions

The workgroup also decided to eliminate the other compounded inhalation "J" code. Code "J7617 does not describe any item or service that is currently on the market, and the existence of this code could encourage inappropriate pharmacy compounding," says Spurgin in her request to discontinue code J7617. CMS agreed with Spurgin and considered J7617 duplicative.

Coders had a hard time deciding whether to use a single compound code or multiple individual codes.

"Medicare implies that 'premixed' and 'compounded' are synonymous," says **Kent J. Moore**, a healthcare financing manager in Leawood, Kan. In the 2005 fee schedule proposed rule (see page 61 of the document at

www.cms.hhs.gov/providers/drugs/mpfs_05pr.pdf CMS talks about suppliers furnishing albuterol and ipratropium bromide in "a premixed form (either commercially premixed or pharmacy-compounded)."

The 2005 method: "If a physician's office (like a pharmacy) mixed the two and administered them, they should have used the compounded inhalation solution codes: J7616 or J7617," Moore says. But because HCPCS also contained individual codes, many coders continued to report those codes, rather than the compounded code.

Example: "We mix levalbuterol and ipratropium bromide solutions ourselves," says **Angela McDougal, CCS-P**, coding analyst at Bend Memorial Clinic in Bend, Ore. The clinic should have reported the solution with the compounded code J7617 rather than the component codes, such as J7613 (Albuterol, inhalation solution, administered through DME, unit dose, 1 mg) and J7644 (Ipratropium bromide, inhalation solution administered through DME, unit dose form, per mg), or J7614 (Levalbuterol, inhalation solution, administered through DME, unit dose, 0.5 mg) and J7644.

The new method: When coding compounded preparations in 2006, "use individual 'J' codes with modifiers KP (First drug of a multiple-drug unit-dose formulation) and KQ (Second or subsequent drug of a multiple-drug unit-dose formulation)," the workgroup concluded in their preliminary decision.