

Internal Medicine Coding Alert

NCCI News: Why Observation and Consult Codes Don't Mix

You can't count on modifiers to smooth things over, either

The jig is up for IM practices that have been reporting initial and follow-up inpatient consultations (99251-99263) in addition to same-day observation or hospital admission and discharge services (99234-99236).

Thanks to the National Correct Coding Initiative (NCCI) edits, version 10.3, which went into effect Oct. 1, you can no longer bill for an inpatient consult if the physician also placed the patient under observation or admitted him as an inpatient. No modifiers override this edit.

This bundle is appropriate because a physician who bills for admitting a patient for observation shouldn't also bill for an initial inpatient consultation on the same date, says **Kathy Pride, CPC, CCS-P**, a coding consultant for QuadraMed in Port St. Lucie, Fla.

"However, there are always those who will try" to code such charges, she adds.

CMS has identified the reason for the edit as "a coding manual instruction/guideline," and while CPT guidelines do indicate that the physician should report only the most extensive E/M service provided on a given date of service, these bundled codes would be almost impossible to report together under normal circumstances.

If the physician performed an inpatient consultation, he could not then admit the patient to observation or inpatient care on the same date unless she was discharged from the hospital after the consultation and readmitted later that day by the physician who did the consultation.

And if the physician admitted the patient to observation or inpatient care first, he could not do the inpatient consultation.