Internal Medicine Coding Alert

You Be the Coder: 2 Internists, 2 Days of Observation

Question: I work for a group practice with three internists. Late one night, Internist A admitted a patient to observation. The second day, Internist B saw the patient in observation status and then discharged the patient on the third day. How should I code this?

South Carolina Subscriber

Answer: As long as Internist A met all three key components -- history, exam and medical decision-making -- you could report the admission to observation using the appropriate initial observation code (99218-99220), depending on the level of service the physician provided.

For example, a patient with chest discomfort (786.59, Chest pain; other) presents to the physician. Suspecting myocardial infarction (410.xx, Acute myocardial infarction), the doctor sends the patient to a hospital's observation unit. Because your physician assigned that patient to observation status, you should report 99218 instead of an office visit code, such as 99212 (Office or outpatient visit for the E/M of an established patient ...). Observation care includes "all evaluation and management services provided by the supervising physician" on the same day of service, according to CPT 2004.

The other physician, Internist B, should not report an initial-observation code, because the physician saw the patient on a subsequent day under hospital care. Therefore, Internist B may charge for 99217 (Observation care discharge). You should assign 99217 for services the physician provided on discharge from observation status when the physician discharges the patient on a day other than the initial date of observation, according to CPT guidelines.