Optometry Coding & Billing Alert

News You Can Use: Say Goodbye to Your Coding Grace Periods, Thank HIPAA

Tip: Review the CMS Web site to update charge forms sooner rather than later

CMS has scrapped the 90-day grace period you once had for implementing new ICD-9, HCPCS and CPT codes, according to two Feb. 6 CMS transmittals (Nos. 89 and 95). The new rule, however, shouldn't cause your optometric practice many problems, coding experts say.
The grace period allowed providers "to ascertain the new codes and learn about the discontinued codes," CMS says. But HIPAA's "transaction and code set rule" mandates that physicians and practices report codes that are valid at the time the physician rendered the service.

Therefore, you will have to begin using new and revised ICD-9 codes when CMS introduces them on Oct. 1, 2004. You will not have 90 days to continue using the old codes. For CPT codes and HCPCS Level II codes, the new grace-period ruling becomes effective on Jan. 1, 2005.

Real-World Example: In 2003, you had to report Category II code 0025T for corneal pachymetry. CPT 2004 replaced 0025T with a new code, 76514 (Ophthalmic ultrasound, echography, diagnostic; corneal pachymetry, unilateral or bilateral [determination of corneal thickness]). Under the grace period, most Medicare carriers accepted deleted code 0025T until March 31, 2004. Without the grace period, however, you would have had to have reported 76514 beginning Jan. 1, 2004, or face denials.

Translation: On Jan. 1, 2005, you will need to begin reporting the new CPT 2005 and HCPCS 2005 codes. On Oct. 1, 2004, you will need to begin using the new ICD-9 codes (ICD-9-CM 2005) that take effect that day.

Spread the Word About New Codes

What to do: You shouldn't experience many coding difficulties or denials without a grace period as long as you update your exam forms by the ICD-9 and HCPCS deadlines, says **Melanie Witt, RN, CPC, MA**, an independent coding consulting in Fredericksburg, Va.

The Federal Register usually publishes new codes well in advance of their release, so you should have enough time to make the changes, she adds.

"You do need to let your staff know that there is a set of new codes," Witt says.

You can even handwrite the new codes in the encounter form's "Other" blank, she says.

Download: After the Federal Register publishes the codes, the CMS posts them on its Web site. New, revised and discontinued ICD-9 codes should appear at http://www.cms.hhs.gov/medlearn/icd9code.asp sometime after May 1, 2004. CMS will publish the updated CPT and HCPCS codes at http://www.cms.hhs.gov/providers/pufdownload/anhcpcdl.asp at the end of October 2004.

Beware: Medicare will be ready to accept these codes the day they become effective, but some private carriers may not be, says **Morgan Hause, CCS, CCS-P**, privacy and compliance officer for a practice in Indianapolis. If a carrier denies a correct code, Hause advises you to talk to the provider representative and alert him to the new code.

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