

Part B Insider (Multispecialty) Coding Alert

Downcoding: You Could Be Selling Yourself Short 14.4 Percent Of The Time

For 14.4 percent of claims processed by the carriers, the documentation supported a higher-paying code, according to the **Centers for Medicare & Medicaid Services**. In fact, not only did the physician perform services that deserved a higher code, but the patient needed a more acute level of treatment.

For 2004, CMS arrived at its net estimates of \$19.6 billion in overpayments by subtracting the estimated underpayments from the total estimated overpayments.

Two E/M codes, 99212 and [CPT 99213](#), account for 47.1 percent of all undercoded physician claims, CMS says. Only 83 codes out of 9,000 possible codes were undercoded in 2004, and 32 of those were E/M codes. Also, E/M codes accounted for \$10,436 out of the \$12,565 which carriers underpaid in CMS' sample.

Providers had an even higher rate of undercoding for consult codes 99241, 99251 and 99261, plus emergency room visit code 99281, but the volume of these codes was much lower than for the 99212 and 99213.

Certain E/M codes also account for much more than their fair share of upcoding problems, CMS says. In particular, 99233 and 99214 have been on CMS' radar since 2000, when CMS found the documentation for those codes frequently supported 99231 or 99212, respectively.

In the latest survey, 50.9 percent of claims featuring 99233 were in error, compared with 61.4 percent the year before. And 18.1 percent of claims featuring 99214 had documentation problems, compared with 24.6 percent in 2003 and a staggering 56.6 percent in 1999. Also, 30.3 percent of claims featuring 99232 had problems.

CMS cites one instance in which a physician billed for a new patient visit (99203) when the documentation actually supported an established patient visit of low complexity (99213), and a reviewer downcoded the claim, saving Medicare \$31.30. 