

## Part B Insider (Multispecialty) Coding Alert

### Inpatient Coding: 6 Common Mistakes With Same-Day Observation Admits and Discharges

**Are you misusing 99234-99236? Find out here**

Most coders understand the basics of handling patients who are admitted for observation and then discharged on the same day. You use 99234-99236 for the admission and discharge for a patient released the same day. But the devil is in the details, experts say.

Here are some common mistakes coders make with same-day observation discharges:

1. Forgetting the eight-hour rule. If a patient is kept for less than eight hours, Medicare will only pay for the admission, not the discharge. For such patients, you should bill 99218-99220 (Initial observation care ...) for the admission, and nothing for the discharge, says **Kathy Pride**, a coding consultant for QuadraMed in Port St. Lucie, Fla.
2. A deaf ear to the midnight chimes. If the patient stays one minute past midnight, it's no longer a same-day discharge, says **James Blakeman** with Health Care Business Resources in Bala Cynwyd, Pa. It doesn't matter if the patient is only in for an hour and a half; you can still bill 99218-99220 for the admit and [CPT 99217](#) (Observation care discharge ...) for the discharge. "It's a significant increase in RVUs," he says.
3. No second visit. Medicare only pays for admission and discharge if the physician sees the patient both times, Pride says. So even when it's more than eight hours, if you have no record that the physician examined the patient before sending her home, you can only bill the admit and not the discharge. If the nurse sees the patient and sends her home, or the doctor leaves instructions to send the patient home if her temperature returns to normal, the discharge isn't billable.
4. Billing for observation and inpatient admission. If a patient under observation worsens and you have to admit him as an inpatient, you can't bill for the observation, Pride says.
5. Not starting the clock with the examination. If the physician examines the patient and then decides an hour later to admit her for observation, the eight-hour clock should begin when the physician examined the patient, Blakeman says. After all, that's when the physician did the work of seeing the patient.
6. Forgetting that the eight-hour rule only applies to Medicare, Blakeman says.