

Part B Insider (Multispecialty) Coding Alert

Part B Coding Coach: Find Out Whether You're a 99217-99236 Coding Wizard

Don't get caught by these discharge code traps

If you code all observation services the same, it's time for an -Observation CPT Code Review.-

Observation status can start in another setting and end with inpatient admission or outpatient discharge on the same day or next--all scenarios that require switching from the original E/M service. Test your navigational skills by tallying your score on four common admission scenarios.

Hint: Pick the observation code based on the patient's length of stay and insurer.

Boost Observation Care Service Initiated in Office

Scenario 1: A patient with chest pain (786.5x) and wheezing (786.07) presents to a physician's office. Suspecting emphysema (492.8, Other emphysema), the physician admits the patient to observation. The physician evaluates the patient during observation that same day and assigns him observation status.

Answer 1: Because the physician admits the patient to observation status (OBS), maintains responsibility for the patient during the stay, and provides the initial OBS evaluation, you should report initial observation care (99218-99220, Initial observation care, per day, for the evaluation and management of a patient ...) with place of service 22 (Outpatient hospital). -All observation care is considered outpatient,- says **Beverly Ramsey, CMA, CPC, CHCC, CHBC**, with **Doctors Management** in Asheville, NC.

You should not separately code the office visit (99201-99215, Office or other outpatient visit) that preceded the observation care service. Instead, the physician should consider the documentation of his office visit when selecting the level of observation care--which may ultimately lead to a higher level of observation care, Ramsey says. When a physician initiates observation status in another site of service, CPT considers all E/M services he provides in conjunction with initiating observation status part of the initial observation care.

Don't overlook: When the patient remains in observation and the physician discharges the patient on the day following admission, you can bill 99217 (Observation care discharge day management -) in addition to 99218-99220 for the admission reported on the previous day. The discharge code requires that the physician provide a face-to-face encounter and participate in the discharge service.

Code Combo for Non-Medicare A&D

Scenario 2: A physician admits a private-pay patient with asthma (493.02) to observation status from the office and then discharges the patient on the same day.

Answer 2: You should report same-day admission and discharge services with 99234-99236 (Observation or inpatient hospital care, for the evaluation and management of a patient including admission and discharge on the same date -) in addition to any procedures.

Reason: -When a physician admits a patient to OBS and discharges from OBS on the same calendar day (not a 24-hour period), you should use 99234-99236,- Ramsey says. CPT imposes no time constraints on 99234-99236.

Important: Because these codes describe and reimburse for two services on the same day (admission and discharge), the documentation must show both portions, says **Carol Pohlig, BSN, RN, CPC, ACS**, senior coding and education specialist at the **University of Pennsylvania** department of medicine in Philadelphia. The medical record should reflect the following, says Pohlig:

1. the initial physician encounter where the physician formulates the OBS plan of care and writes the orders, etc.
2. the face-to-face encounter clearing the patient for discharge.

Switch Short-Stay Medicare Patients- Billing

Scenario 3: After a physician admits a Medicare beneficiary to OBS for asthma, the patient's exacerbation resolves. The physician sends the patient home after a stay of four hours.

Answer 3: Report the OBS stay with the initial observation code series 99218-99220. To bill 99234-99236 to Medicare, the beneficiary must stay for more than eight hours (CMS Program Memorandum B-00-65, 11-21-2000), says **Cheryl Klarkowski, RHIT**, coding specialist with **Baycare Health Systems** in Green Bay, WI.

Warning: In this case, do not use the discharge code 99217. Report the most extensive service ---initial care (99218-99220)--even when the admission and discharge occur on the same date.

Change Your POS for Inpatient Admission

Scenario 4: Suppose one of the above patients crashes and the physician admits the patient to inpatient care before the end of an observation day.

Answer 4: Use initial hospital care codes 99221-99223 (Initial hospital care, per day, for the evaluation and management of a patient -) instead of observation codes. Switch to POS code 21 (Inpatient hospital).

Watch out: If the physician admits the patient to OBS on day 1 and then to inpatient on day 2, the physician should report initial OBS care (99218-99220) on day 1 and initial inpatient care (99221-99223) on day 2. -The physician must provide a face-to-face encounter on each day and satisfy the requirements for each individual service,- Pohlig says.

Discover Where Your Skills Stand

Score yourself using the -reward- system below. If you received:

- 3-4 points: You're an observation services coding wizard. Ask your supervisor for a special coffee break in recognition of your mastery.
- 2 points: It's time to get out your CPT book and reread the hospital observation services notes.
- 0-1 point: Get some educational tools to guide you with observation coding. Check out the E/M Auditing Study Guide (aapc.com) as a possibility.