

Part B Insider (Multispecialty) Coding Alert

Part B Coding Coach: Master Diagnostic Test Supervision, Easy as 1-2-3

Know where to go to untangle Medicare's layers of definitions and numerical indicators.

For diagnostic imaging services, a freestanding oncology/hematology center can use physician supervision information in the Medicare Physician Fee Schedule (MPFS) to ensure you stay compliant. Just follow these three hints.

1. Concentrate on the Technical Component

This article's focus is Medicare's physician supervision requirements for the technical component of diagnostic tests provided to beneficiaries who aren't inpatients.

As a result, one of the building blocks of supervision compliance is understanding the difference between the technical component and the professional component of a diagnostic test.

Consider this: In a typical diagnostic imaging scenario, a technician uses diagnostic testing equipment to perform an ordered test on a patient. Then, an interpreting physician reviews the resulting image and provides a written report.

Medicare typically divides codes for diagnostic imaging into components for technical (technician's salary, cost of equipment and building maintenance, etc.) and professional (the physician's time, work, expenses, etc.). Each component has a distinct value (fee) reflecting the different resources and effort involved. The technical and professional components of the same code may have different Medicare supervision requirements because the supervision concept doesn't apply to the professional component the physician performs.

Coding impact: To ensure proper payment for the service rendered, an entity billing only the technical component appends modifier TC (Technical component) to the diagnostic imaging code. An entity billing only the professional component appends modifier 26 (Professional component) to the code. If an entity provides both the professional and technical components, then it reports the global (complete) service by not appending either TC or 26 to the code.

2. Unlock Supervision-Level Vocabulary

Identifying the technical component is only one of the elements vital to supervision compliance. Another key skill is deciphering Medicare's supervision level definitions.

You need to master three Medicare supervision levels in particular — general, direct, and personal, says Janae Ballard, CPC, CPC-H, CPMA, CEMC, PCS, FCS, senior consultant at Altegra Health.

General supervision: "Per Medicare, general supervision 'means the procedure is furnished under the physician's overall direction and control, but the physician's presence is not required during the performance of the procedure. Under general supervision, the training of the nonphysician personnel who actually performs the diagnostic procedure and the maintenance of the necessary equipment and supplies are the continuing responsibility of the physician,'" says Marvel J. Hammer, RN, CPC, CCS-P, PCS, ACS-PM, CHCO, owner of MJH Consulting in Denver, Colo.

You'll find the above definition in the Medicare Benefit Policy Manual (MBPM), Chapter 15, Section 80 (www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/bp102c15.pdf). The same section provides the following definitions for direct and personal supervision.

Direct supervision: Direct supervision "in the office setting means the physician must be present in the office suite and immediately available to furnish assistance and direction throughout the performance of the procedure. It does not mean that the physician must be present in the room when the procedure is performed."

Personal supervision: "A physician must be in attendance in the room during the performance of the procedure" to qualify as personal supervision.

Audit tip: Documentation should support the required level of supervision. For instance, for procedures requiring personal supervision, the progress note could include a comment by the supervising physician to document his presence in the room. Alternatively, a procedure room roster of participants, with time in and out recorded for each person, may suffice. Remember, the physician's documentation must also meet requirements to support his involvement and portion of the service provided.

3. Decipher MPFS Numerical Indicators

Now that you can identify a code's technical component and know the definitions of three key supervision levels, it's time to apply what you know to diagnostic imaging codes on the MPFS.

The MPFS at CMS.gov uses numerical indicators for the supervision levels, says Ballard. So you need yet another decryption tool before you can determine the supervision level requirement for a given code. The MBPM lists more than a dozen supervision level indicators including these for the three levels discussed above:

1. General supervision
2. Direct supervision
3. Personal supervision.

To see the indicators in action, start by accessing the MPFS search at www.cms.gov/apps/physician-fee-schedule/search/search-criteria.aspx. For this example, use the 2012B fee schedule. Under "Type of Information," choose "Payment Policy Indicators" to include supervision levels in the search results, says Ballard. Selecting "List of HCPCS Codes" allows you to enter up to five CPT® or HCPCS codes to search. For a sampling, search these codes:

70553, Magnetic resonance (e.g., proton) imaging, brain (including brain stem); without contrast material, followed by contrast material(s) and further sequences

71020, Radiologic examination, chest, 2 views, frontal and lateral

76942, Ultrasonic guidance for needle placement (e.g., biopsy, aspiration, injection, localization device), imaging supervision and interpretation

Finally, use the "TC Technical Component" Modifier option. When you hit submit, the resulting page shows several rows and columns of information. In the PHYS SUPV column, you'll find the numerical level for physician supervision. MRI code 70553 shows "02," which means 70553-TC requires direct supervision. X-ray code 71020 shows "01" for general supervision. As a guidance code, ultrasound service 76942 requires the highest level of supervision of the three. It shows "03" for personal supervision.

Caution: You may see patterns, such as X-rays requiring general supervision and MRIs requiring direct supervision, but you should check the MPFS to be sure, Ballard says.