# Part B Insider (Multispecialty) Coding Alert

## Recovery Audit Contractors: RAC: The Doctor Isn't in? Don't Bill E/M for Diagnostic-Only ED Visits

**If the patient is triaged but never sees a qualified healthcare professional, don't report an E/M code.**

When a patient presents to the emergency department (ED), you can automatically report an ED evaluation and management code, right? Not so fast. If you don't meet the criteria for billing an E/M service, you'll be in hot water with your payer. That's the word from a recent RAC announcement indicating that these types of claims are about to be scrutinized.

**Region B Is on the Case**

On Feb. 2, Region B recovery audit contractor CGI Federal announced that it will be reviewing services for patients who were triaged but weren't examined or treated by a physician or physician extender, the RAC announced on Feb. 2.

**In black and white:** "This issue targets emergency room services for triaged patients who are not seen by a qualified health practitioner or health practitioner extender," CGI says in the "New Issues" page of its website. "The facility is not entitled to emergency services payment for these patients, as these services are not provided incident to a physician's service."

**Example:** Suppose a patient presents to the emergency department, is triaged and receives diagnostic testing such as a chest x-ray or an EKG, depending on their presenting symptoms, but leaves without ever having been seen by a practitioner. In this situation, you can't report an E/M service but the facility side can report the diagnostic test.

**Here's why:** Hospital outpatient therapeutic services and supplies (including visits) must be furnished "incident to" a physician's service and under the order of a physician or other qualified practitioner, according to Section 20.5.2 of the Medicare Benefit Policy Manual. "Therapeutic services and supplies which hospitals provide on an outpatient basis are those services and supplies...which are not diagnostic services, are furnished to outpatients incident to the services of physicians and practitioners and which aid them in the treatment of patients," the Manual says. "These services include clinic services, emergency room services, and observation services."

Therefore, an ED E/M service would not be paid if the patient encounter did not meet the incident to requirement (the patient would need to be seen by an ED physician or non-physician practitioner).

Since diagnostic services do not need to meet the requirements for incident to services, they may be coded, even if the patient were to leave without being seen by the physician. The CMS language concerning not billing for a service when the patient didn't see the physician all refers to therapeutic services; CMS specifically excludes diagnostic services when discussing outpatient service coverage.

**Don't Report a Low Level Facility ED Visit, Either**

Although it may seem tempting to report a low-level ED visit for patients who are triaged but don't see the physician, CMS specifically warns against doing so in an FAQ on the agency's website.

"The limited service provided to such patients is not within a Medicare benefit category because it is not provided incident to a physician's service," CMS says in FAQ 2297. "Hospital outpatient therapeutic services and supplies (including visits) must be furnished incident to a physician's service and under the order of a physician or other practitioner practicing within the extent of the Act, the Code of Federal Regulations, and State law. Therapeutic services provided by a nurse in response to a standing order do not satisfy this requirement."

**Payer caveat:** Commercial payers may have policies that vary from Medicare's, so you want to check with the hospital's key payers. For Medicare, your best bet though is to contact the client's Medicare contractor and get confirmation of their local payment policy.

**Resource:** To read Region B recovery audit contractor CGI's open issues, visit https://racb.cgi.com/Issues.aspx.