

Outpatient Facility Coding Alert

Reader Question: Payer Rejecting New Codes? Report to AMA

Question: We already have payers that are rejecting the new CPT® codes. They are not stating that the codes aren't valid for the procedure we are performing, but rather stating the codes are not valid at all. How should we handle this?

Georgia Subscriber

Answer: If you are correctly using a valid, new CPT® code that went into effect on Jan. 1, 2013, then you should appeal the claim. Be sure that you are using a valid code for the proper procedure and that you have checked your payer's local coverage determination (LCDs) and the national coverage determinations (NCDs) to ensure that the carrier does not have a policy indicating a different code. If not, then, appeal.

There's more: Plus, according to the American Medical Association (AMA), you should also report the payer. In a Jan. 7 email alert, the AMA says, "The rejection of a valid Current Procedural Terminology (CPT®) code is a violation of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Included within the Healthcare Common Procedure Coding System (HCPCS) code set, CPT® is one of the medical data code sets adopted under HIPAA. Additionally, HIPAA-covered entities — including payers — are required to use the current applicable medical data code set valid at the time the health care is furnished." The introduction of the CPT® book provides instruction for use of the CPT® codes and states that Jan. 1 is the effective date for use of the updated CPT® code set.