

Outpatient Facility Coding Alert

Reader Question: Question Medicare for 17003 Claims

Question: We recently reported codes 17000 and 17003 to Medicare for reimbursement. Though the dermatologist destroyed multiple lesions, we only received payment from Medicare for 17000. Medicare rejected our claim for 17003. The rejection reason states, "Payment adjusted because this procedure/service is not paid separately." We did not use any modifiers.

Florida Subscriber

Answer: Codes 17000 and 17003 are reimbursable in both the freestanding and hospital-based ASC settings with appropriate documentation so you should appeal Medicare's decision. With the appeal, you should include documentation explaining that CPT® permits 17000 (Destruction [e.g., laser surgery, electrocautery, cryosurgery, chemosurgery, surgical curettage], premalignant lesions [e.g., actinic keratoses]; first lesion) and +17003 (... second through 14 lesions, each [List separately in addition to code for first lesion]).

Steps to take: Send a copy of CPT®'s instructions following 17003 that state, "Use 17003 in conjunction with 17000."

Code 17003 is an add-on code for destruction of two to 14 lesions.

As you described, you are correct in reporting code 17000 for the first lesion that your dermatologist destroys and 17003 for each additional lesion up to 14 he destroys. No modifier is necessary.

Example: The dermatologist destroys seven actinic keratoses. You would report the following:

- CPT® codes: 17000 (for first lesion), 17003 with 6 units
- ICD-9 code: 702.0 (Actinic keratosis).