

Home Health ICD-9/ICD-10 Alert

Coding How-To: Develop Crucial Coding Policies In 5 Steps

Focus first on codes affecting reimbursement.

Coding inconsistencies can cost you money - in lost reimbursement, claims held up in medical review and overpayments you must return.

Home health coding is far from black and white, and became even more confusing with the introduction of V codes, says **Cheryl Pacella** with the **Visiting Nurse Association of Boston**. At that point, "we realized we needed to focus on coding consistency," she tells **Eli**.

Some examples the VNAB tackled were when to use therapy codes versus aftercare codes and when to use attention to surgical dressings versus aftercare for surgery codes, Pacella says.

Coding cerebrovascular accidents and diabetes are other areas where clinicians often are inconsistent, says Rochester, NY-based home health coding expert **Janet Hutt**, RHIT, with the **Visiting Nurse Association of Rochester & Monroe Co.**

Agencies also see inconsistencies because there are multiple ways to sequence codes, says clinical consultant **Judy Adams** with the Charlotte, NC-based **LarsonAllen Healthcare Group**.

The next step: If you're ready to focus on coding policy, experts offer these suggestions:

1. Determine your areas of focus. To find areas where you need policies for consistency, look at the top three problem areas you find in your coding audits, Hutt suggests. Then focus first on coding issues that affect reimbursement, she adds. These are likely to be case mix issues where you are losing money because of coding inaccuracy or being paid an increased reimbursement that is not supported by the documentation.

Another approach is to examine the cases managers ask for help with or questions clinicians ask about coding, experts say.

2. Decide who will be part of formulating coding policy. Home health agencies should involve a number of people in developing coding policy, Adams recommends. For example, if you have a corporate compliance officer, that person should be in the loop. You need someone from management, a clinical supervisor and whoever is responsible for monitoring coding, Adams adds.

Consider the agency's coding expert and a quality improvement person essential members of the team, Pacella says. And including managers who are involved in overseeing coding accuracy helps bring out the issues they are struggling with, she adds.

3. Don't forget research. Once you know what coding issues you will focus on, have your most knowledgeable coding person research the guidelines and related home health coding information, Pacella suggests. "It's a challenge to keep current with everything," she says.

Be sure to include input from your "in-house coding expert" about conventions and guidelines before making a policy decision, Adams stresses.

4. Focus on making a decision. At VNAB, the managers meet once a month to tackle coding questions, Pacella tells

Eli. Then, if questions arise between meetings, she may give a tentative answer, which could change as a result of further research and discussion.

Participants discuss the problem situations and the coding experts contribute their research on coding guidelines and other home health coding information. Then the group reaches consensus.

In making your decision, concentrate on the clinical assessment, Adams says. Remember that what is happening clinically with the patient is the primary driver for determining the order of the diagnosis coding, followed by the official coding conventions and guidelines, she cautions.

Bottom line: Each discussion should result in a decision. Then get the word out to others in the agency. Continue to track the problem areas to be sure staff are implementing the coding policies you decided on.

5. Develop general policies. Some policies do not depend on a specific patient situation. For example, coding accuracy is improved by a policy that requires a coder to query the physician if the documentation is unclear, says **Rita Rich**, senior coding compliance analyst with **LifePoint Hospitals** in Brentwood, TN.

Other general policies Rich uses include:

1. Coders must be oriented about specific coding requirements of different payer sources.
2. Agencies must maintain written documentation of coding guidelines, such as transmittals or bulletins from payers.
3. Agencies must have written procedures addressing how coding conflicts with payers are addressed, focusing on high volume payers first.