Home Health ICD-9/ICD-10 Alert

Coding How-To: Get The Latest On M0246 Q&A

M0246 isn't just for case mix, CMS says.

Question: Should we complete M0246 onlywhen a V code listed in column 2 was reported in place of a case mix diagnosis or in certain instances of mandatory multiple coding?

Answer: According to recent questions and answers from the **Centers for Medicare & Medi-caid Services**, you have a choice.

Originally: For M0246, Chapter 8 of the OASIS Manual instructs "If a V code reported in any row in column 2 is reported in place of a case mix diagnosis, list the appropriate case mix diagnosis in the same row in Column 3."

Clarification: But CMS' April OASIS question and answer seems to contradict these instructions. "A numeric code listed in M0246 might not affect payment because it is not a case mix diagnosis, or because it is a case mix diagnosis but does not meet all the conditions required to affect payment ...; or the code listed does not replace an eligible V code. If required conditions are not met, the code is ignored by the payment grouper."

CMS continues, "Listing an unnecessary code in M0246 is not a noncompliant or unacceptable practice; just unnecessary, as far as payment is concerned. However, in addition to potential payment impact, codes in M0246 also have a potential risk adjustment impact. ... a code reported in M0246 will be appropriately available and considered for risk adjustment even if it does not impact payment."

Translation: "CMS does mean for you to put non-case mix codes in M0246," says **Lisa Selman-Holman, JD, BSN, RN, HCS-D, COS-C,** consultant and principal of **Selman-Holman & Associates** in Denton, TX. "These codes won't impact payment -- they'll only impact risk adjustment, but that's a good thing," she says.

Example: Your patient had valve-replacement surgery to correct mitral valve stenosis and you are providing aftercare. You would list V58.73 (Aftercare following surgery of the circulatory system) in M0230. The mitral valve is gone, so you wouldn't list 394.0 (Mitral stenosis) in M0240. And code 394.0 isn't case mix, so if you follow only the Chapter 8 instruction, you wouldn't list it in M0246. But you would then lose out on the risk adjustment for 394.0.

New way: With the recent Q&A advice, you can list this code in M0246 and reap the benefit of the risk adjustment.

Know When And Why To Use V Codes

V codes have long confused home health coders. Prior to 2003, they weren't appropriate in home health. Ever since, coders have struggled to get a handle on them. The seemingly contradictory M0246 advice from CMS only confuses things further, says **Trish Twombly, RN, BSN, HCS-D, CHCE,** director of coding with **Foundation Management Services** in Denton, TX.

Coding tip: When deciding whether to list a numeric code in M0246, ask yourself what the V code in M0230/M0240 replaced, Twombly says. What would you have listed prior to 2003 when you couldn't report V codes?

Also, don't be tempted to overuse V codes, Twombly says. If you're not describing a resolving condition, think about whether there is a numeric code that would suit the situation better.

Avoid upcoding: Prior to this new advice on M0246, coders may have been tempted to list case mix codes in M0246, even if they didn't represent the underlying reason the V code was placed in column 2, Twombly says. Now, coders may be tempted to upcode for outcomes as well. Focus on the real reason for your patient's care to keep your coding in check.

Check For Software Issues

Unfortunately, some software programs won't allow you to list a non-case-mix code in M0246. This means that some agencies will have the advantage of being able to count non-case-mix codes in their outcomes while other agencies cannot, Twombly says.

If your software does allow you to put a numeric code in M0246, consider which numeric code was replaced by the V code and list it there, regardless of whether the code is listed on Table 2B (the list of case mix codes), Twombly advises.

Software developers built their software according to directions CMS provided in the pseudocode and grouper, and there are variations in how the software companies wrote their programs, Selman-Holman says. The issue is that some software programs will not allow non-case mix codes in M0246 unless accompanied by a case mix code; others will not allow a code at all (case mix or otherwise) unless a V code from pseudocode Table 4 is used across from it in M0230 or the M0240s. This means that the risk adjustment advantage is not a possibility with these software vendors until they change their programs.

Coming soon: CMS is working on a new risk adjustment model due out soon, so watch for new guidance. Look for V codes and E codes in the new risk adjustment model, so the M0246 confusion may be short-lived.