

Home Health ICD-9/ICD-10 Alert

Reimbursement: Take This Crash Course In M0245

You could be losing hundreds of dollars per patient in M0245 errors.

After a year of struggling to incorporate V codes without losing case mix dollars, many coders are still confused about M0245. Here's what you must know to save your agency big bucks on M0245.

Problem: If coders fail to put the case mix code in M0245 when they should, the agency may lose hundreds of dollars per patient by failing to claim the higher paying diagnosis code, explains consultant **Pam Warmack** with Ruston, LA-based **Clinic Connections**. And they also create payment delays by misunderstanding when to use M0245 and when not to.

Under the home health prospective payment system, agencies receive more money for episodes in which the patient has one of the primary diagnoses listed on pp. 41195-41198 of the PPS final rule or one of the secondary diagnoses listed on pp. 41198-41201 of the July 3, 2000 Federal Register (See Article 5 for orthopedic case mix codes).

When the Health Insurance Portability and Accountability Act required providers to use ICD-9 coding correctly as of Oct. 1, 2003, it added another level of decision-making to home health coding. Coders now can use a V code as the primary diagnosis, but if that code replaces a case mix code - one that adds extra reimbursement to the episode - the agency must record the "old code" in M0245 to ensure correct reimbursement. "Think of M0245 as a payment diagnosis," suggests coding expert **Prinny Rose Abraham** with Minneapolis-based **HIQM Consulting**.

Solution: Even after a year, agencies still are losing money because of M0245 omissions, experts report. Follow these expert tips to secure the reimbursement you deserve:

1. Case mix codes result in extra reimbursement only when they are the primary diagnosis and placed in M0230. Or as the first secondary diagnosis in M0240 - if coding guidelines require you to report the underlying disease code first. For example, if you are treating a diabetic ulcer of the thigh (707.11) you would first have to code diabetes mellitus with other specific manifestations (250.8x).
2. If a case mix diagnosis that would have been in M0230 includes a manifestation code, put the case mix code in M0245 line "a" and the manifestation code in M0245 line "b." So in the above example, 250.8x would go in M0245a and 707.11 would go in M0245b, if a V code had replaced them as a primary diagnosis.
3. If there is no V code in M0230, do not put any code in M0245.
4. Don't put surgical codes in M0245.
5. M0245 does not have a place on the UB-92 claim form, but CMS considers it a "pertinent diagnosis" and you should include it in the agency's plan of treatment.

Editor's Note: Coders confused about M0245 can review the examples and instructions the **Centers for Medicare & Medicaid Services** provides in the December 2002 revision to Chapter 8, attachment D of the OASIS User's Manual at www.cms.hhs.gov/oasis/usermanu.asp