

Pain Management Coding Alert

Reader Question: Calendar, Not Clock, Drives Observation Code Choice

Question: If we admit a patient to observation at 11 p.m. on Thursday and then release him at 2 a.m. on Friday, how should we code the services? Do we report an admit and a discharge code?

Alaska Subscriber

Answer: Yes, you should report both an admit and discharge code. On the claim, report the appropriate code from the 99218-99220 (Initial observation care, per day, for the evaluation and management of a patient which requires these 3 key components: ...) code set for the first day of observation.

Then, report 99217 (Observation care discharge day management...) for the discharge date. The important piece to also keep in mind is that the patient was admitted and discharged on different days. Had this brief period of time been on one calendar day, you'd use a code from the 99234-99236 (Observation or inpatient hospital care, for the evaluation and management of a patient including admission and discharge on the same date, which requires these 3 key components: ...) code set.

If a patient is in observation for two calendar dates, you would code the service with a code from 99218-99220 and 99217 for the day of discharge. If there is a third day in the middle, that code would come from the 99224-99226 (Subsequent observation care, per day, for the evaluation and management of a patient, which requires at least 2 of these 3 key components: ...) series. This coding practice does not change, regardless of the amount of time the patient spent in observation each day.