

Pain Management Coding Alert

Reader Question: Use This Coding Technique for Longer 1-Day Observations

Question: One of our physicians performed an observation service for a Medicare patient that lasted a very long time. The patient reported to the hospital at 9 a.m. Tuesday complaining of intense headaches, hallucinations and acute neck pain. After being in observation for most of the day, the physician discharged the patient at 11:13 p.m. Tuesday. Notes indicate a level-three observation service. How many codes should I report for this service?

Washington, DC Subscriber

Answer: You'll only be able to report a single observation code for this service. On the claim, report 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: a comprehensive history; a comprehensive examination; and medical decision making of high complexity...) for the encounter.

Explanation: For Medicare payers, you'll pick from the 99234-99236 code set if the observation lasts more than eight hours on a single calendar day.

Exception: For observations that last less than eight hours on a single calendar day, Medicare wants you to report the appropriate code from the 99218-99220 (Initial observation care, per day, for the evaluation and management of a patient...) code set.

With private payers, make sure to check their policies before reporting a 99218-99220 for single-day observations of less than eight hours. Some payers may follow the CPT® section guidelines and direct you to use the 99234-99236 code set for an admission and discharge from observation on the same date.