Dermatologists Should Step Up to Level 3 Codes

BY BRUCE JANCIN
Denver Bureau

KOLOA, HAWAI I — The “vast major- ity” of dermatologic office visits ought to be coded as level 3 services using the CPT evaluation and management codes, Dr. Allan Wirtzer said at the annual Hawaii dermatology seminar sponsored by Skin Disease Education Foundation.

“Based upon the work performed by most dermatolo- gists, CPT codes 99203 and 99213 should be the de- fault codes used for the typical derma- tologic encounter. I know that may not be what you’ve heard . . . but I think from a documenta- tion standpoint you can support this in the vast number of patients that you see in your office,” said Dr. Wirtzer, a derma- tologist and coding expert in private prac- tice in Sherman Oaks, Calif.

“It’s all a matter of documentation, he said, and dermatologists seem to finally be getting the message. Historically, their use of level 2 coding greatly exceeded that of level 3. However, most recent Medicare utili- zation data indicate they’re currently coding 90% of encounters as level 2 or 3, with the two levels seeing equal use. That’s a big improvement, but it indicates there is still significant undercoding by der- matologists, since level 3 coding should predominate, he said.

To qualify as a code 99213 for established patients, two of the three key elements must be met.

DR. WIRTZER

An expanded problem-focused history has two components: a brief history of the present illness—a simple comment such as “acne on face” or “bump on leg” meets this standard—and a problem-pertinent review of systems.

“If you can just put down that the pa- tient is otherwise well or has no other complaints, you’ve done a problem-pertin- ent review of systems,” he stressed.

The price for not properly documenting a claimed level of service can be steep. “If a physician gets audited and the insurance companies look at 15 of the 99213s that have been filed, they’ll Say, ‘Listen, based on the fact that half of the charts we audited were wrong, we’re going to assume that half of all your 99213s were wrong, there- fore for the last year you owe us X amount of dollars,’” Dr. Wirtzer cautioned.

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CPT Site-Specific Biopsy Codes: Undercoding Means Underpayment

KOLOA, HAWAI I — Dermatologists throw a lot of money away by undercod- ing their site-specific biopsies, Dr. Leon Kircik said at the annual Hawaii derma- tology seminar sponsored by Skin Disease Education Foundation.

The CPT code for skin biopsy is 11100. A biopsy performed at a second site is cod- ed 11101, a third is 11102, and so on. But there are other codes intended for use in biopsies of the ear, eyelid, and various other spec- ific sites. (See box.)

All of these site-specific codes are as- signed higher revenue value units and are reimbursed at substantially higher rates than those coded 11100. An eyelid biopsy, for example—coded 68710—pays about five times more, according to Dr. Kircik, a dermatologist in private practice in Louisville, Ky.

“I audited a big practice in New York City where they were putting all the eye- lid biopsies as a regular skin biopsy and missing a lot of revenue,” he recalled. SDEF and this news organization are wholly owned subsidiaries of Elsevier.

Site-Specific Biopsy Coding

CPT Code Biopsy Site
11100 Skin, site no. 1
40490 Lip
67810 Eyelid
69100 Ear
54100 Nails
56606 Vulva
11755 Nail

Dr. Kircik is a dermatologist in private practice in Louisville, Ky.

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P O L I C Y & P R A C T I C E

Researching Psoriatic Arthritis

The National Psoriasis Foundation has awarded $120,000 in seed money to re- searchers trying to understand the mechanism of disease for psoriatic and psoriatic arthritis. The idea behind the proposal is to first fund research that will generate preliminary data to be used in grant applications to the National Insti- tutes of Health. The four grants—fund- ed at $30,000 each—were awarded to re- searchers in Oregon, Utah, Colorado, and New York. One grant recipient at Columbia University will focus on un- derstanding the environment of joints in psoriatic arthritis. The results of this type of research could lead to better therapeutic targets for psoriatic arthritis, according to the Psoriasis Foundation.

Ban Tanning Ads at Teens?

Researchers at the University of Col- orado’s dermatology department are calling for a ban on tanning salon adver- tisements that are directed at adoles- cents, after a small survey of Denver-area high school newspapers found that ads offering indoor tanning were “abundant” and usually at a discount—appeared in pub- lications at half the schools. The re- searchers looked at newspapers printed in 2001 or later at 23 public schools. Forty ads appeared in 131 papers at 11 schools, with most ads appearing in the spring. Fifteen of the forty advertisements of- fered unlimited tanning for as low as $9. Half offered discounts, including “prom specials.” Two advertisements noted that parental permission was re- quired for tanners under the age of 16 years; another warned that no one un- der 14 years old would be allowed to tan.

Although the study was a limited snap- shot in time and did not involve a ran- dom sample, the results still suggest that tanning advertisements are “abundant” in public high school papers in the Den- ver area, said the authors. The study was published in the April 2006 issue of the Archives of Dermatology.

Part D Formulary Override Form

A coalition of physician and pharmacist organizations and insurers, led by the American Medical Association, has de- veloped a form that all physicians can use to request a prior authorization or coverage of a nonformulary drug under Medicare’s Part D benefit. Partners in- clude the American Psychiatric Associa- tion, the American Academy of Fam- ily Physicians, the American College of Physicians, the National Council of Aging, the American Pharmacists Associa- tion, and America’s Health Insurance Plans. “Physicians will now have a sim- ple one-page form to easily communi- cate to drug plans why a patient needs a specific drug when other similar drugs are also covered by the plan,” said AMA board member Dr. Edward Langston in a statement. Using the form, physicians can explain why an alternative drug is needed, why a different dose is required, or why the formulary drug is not ac- ceptable. The exceptions may be found online at the Web sites of the Centers for Medicare and Medicaid Services.