

# Don't Get Caught in the Abyss of ASC Coding

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# Goals for Session

- Look at the April 2013 ASC updates from CMS
- Identify common mistakes in ASC Surgical Coding
- Identify lost charges
- Identify documentation errors that will cost you

# New Drugs and Biologicals

HCPCS Code	Short Descriptor	ASC PI
C9130	Inj. Immune Globulin (Bivigam), 500 mg.	K2
C9297	Inj. Omacetaxime mepesuccinate, 0.01 mg	K2
C9298	Inj. Ocriplasmin 0.125 mg.	K2
J7315	Inj. Mitocin Ophthalmic 0.2 mg.	K2
Q4127	Talymed, Per Square Centimeter	K2

# Updated Payment Rate as of April 1, 2013

HCPCS Code	Short Desc	Corrected Rate
Q4112	Cymetra allograft	\$271.12

# Jetrea on Label Use

- Jetrea (ocriplasmin) is packaged in a sterile, single-use vial containing 0.5 mg ocriplasmin in a 0.2 mL solution for intravitreal injection (2.5 mg/mL).
- As approved by the U.S. Food and Drug Administration (FDA), the recommended dose for Jetrea (NDC 24856-0001-00) is 0.125 mg.
- An entire single-use vial to obtain one recommended dose for one eye of one patient per the FDA- approved label would result in reporting 4 units of C9298 on a claim.

# Mitomycin

- HCPCS Code J7315 should only be used for Mitosol and should not be used for compounded mitomycin or other forms of mitomycin.
- Mitosol is the only FDA approved form of ophthalmic preparation of Mitomycin.

# Mitosol Indication

- Used as an adjunct to ab externo glaucoma surgery (e.g. 66170 or 66172)
- Each vial of Mitosol contains 0.2 mg of mitomycin and mannitol in a 1:2 concentration ratio, according to the product's package insert.

# Ab Externo

- Ab externo trabeculectomy (AET) involves cutting from outside the eye inward to reach Schlemm's canal, the trabecular meshwork, and the anterior chamber
- Also known as non-penetrating trabeculectomy (NPT)



# Ab Externo

- Ab Externo = from the outside
- A major ocular surgery in which Schlemm's canal is exposed via a large , deep scleral flap.
- The inner wall of Schlemm's canal is stripped off after surgically exposing the canal.

# Mitosol Use

- A treatment area approximating 10mm x 6mm +/- 2mm should be treated with mitomycin ophthalmic
- Apply fully saturated sponges equally to the treatment area, in a single layer, with the use of a surgical forceps
- Keep the sponges on the treatment area for 2 minutes, and then remove and copious irrigate surgical site

# Mitosol Orphan Use

- Prevents recurrent Pterygium s/p excision
- Prevents Corneal subepithelial haze formation S/P Ablation Laser Keratectomy

# Orphan Drug Use

- The FDA Office of Orphan Products Development (OOPD) mission is to advance the evaluation and development of products (drugs, biologics, devices, or medical foods) that demonstrate promise for the diagnosis and/or treatment of rare diseases or conditions.

# Flucelvax (Influenza virus vaccine)

- Flucelvax (Influenza virus vaccine) was approved by the FDA on November 20, 2012
- Since January 1, 2008, CPT code 90661 has been assigned to ASC payment indicator “Y5”
- **CMS is revising the ASC payment indicator for CPT code 90661 from “Y5” to “L1” effective November 20, 2012**
- This change will be reflected in the April 2013 ASC PI file

# Updated Payment Rates

- J9263 and Q4106 were priced wrong in January 2013 ASC Price file
- Providers can ask for a corrected payment for claims paid incorrectly during the first quarter 2013
- J9263 Oxalplatin now pays \$3.95
- Q4106 Dermagraft now pays \$42.55

# Dermagraft Skin Substitute

- Must Use CPT Codes – 15275 – 15276
- Q 4106 - Dermagraft, per square cm.
- HCPCs Modifier requirements vary by contractor
  - JC Skin substitute used as graft
  - JW Drug amount discarded/not administered to any patient
  - KX Requirements specified in medical policy have been met

# ICD 9CM Coding

- Medical Necessity
  - Varies per carrier LCD
  - 250.XX Diabetes Mellitus {need 4<sup>th</sup> and 5<sup>th</sup> digit}
  - 701.14 Ulcer of heel and midfoot (specifically the plantar surface)
  - 707.15 Ulcer of other part of foot (toes)



# FDA Approval

- **Product**

**Name:** DERMAGRAFT® **Manufacturer:** Advanced Tissue Sciences **Address:** 10933 North Torrey Pines Road, La Jolla, CA 92037-1005 **Approval**

**Date:** September 28, 2001 **Approval**

**Letter:** [http://www.accessdata.fda.gov/cdrh\\_docs/pdf/p000036a.pdf](http://www.accessdata.fda.gov/cdrh_docs/pdf/p000036a.pdf)

- **What is it?** DERMAGRAFT® is a skin substitute used to help in the wound closure of diabetic foot ulcers. It is made from human cells known as fibroblasts, placed on a dissolvable mesh material.

# Dermagraft Approved Use

- **When is it used?** DERMAGRAFT® is used on:
- full-thickness diabetic foot ulcers that have been present for longer than six weeks and
- ulcers that extend deeper into the skin where the blood vessels are, but do not involve tendon, muscle, joint capsule or bone.
- **What will it accomplish?** DERMAGRAFT® will help to close diabetic foot ulcers that have been present longer than six weeks where the wound is not closing.

# Diabetic Foot Ulcers



# Staging Diabetic Foot Ulcers

- **Wagner Grading System**
- Grade 1: Superficial Diabetic Ulcer
- Grade 2: Ulcer extension
- Involves ligament, tendon, joint capsule or fascia
- No abscess or Osteomyelitis
- Grade 3: Deep ulcer with abscess or Osteomyelitis
- Grade 4: Gangrene to portion of forefoot
- Grade 5: Extensive gangrene of foot

# How Does Dermagraft Work?

When the DERMAGRAFT® is placed on the ulcer, the mesh material is gradually absorbed and the human cells grow into place and replace the damaged skin. The living cells in DERMAGRAFT® produce many of the same proteins and growth factors found in healthy skin, which help replace and rebuild the damaged tissue in the diabetic foot ulcer.

# Contraindications

- DERMAGRAFT<sup>®</sup> should not be used on infected ulcers or ulcers with sinus tracts (tunneling).
- It should not be used on patients allergic to products derived from cows because there is bovine serum in the packaging solution.

# New HCPCS Procedure Code

<b>C9735</b>	<b>Anoscopy Submucosal injection</b>	<b>G2</b>	<b>April 1 2013</b>
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# Frequently Missed Charges

- Injections
- Lesion Removals
- Fingers and Toes
- Modifiers



# Injections

- Type
- Site
- Time
- Dose Calculations vs. Units of Service
- Wastage
- Separately coded Drugs and Biologicals
- Orders

# Fingers and Toes

- Carpals vs. Tarsals
- Metacarpals versus Carpals
- Phalanges
  - Proximal
  - Distal
- Laterality
- Digit Specific

# Skin Care

- Lesions
  - Debridement
  - Excision
  - Destruction
  - Appropriate Repairs
- Botox
  - A picture is worth a 1000 words.
  - Wastage

# Debridement vs. Site Prep

- Debridement
  - Depth of Tissues Removed
  - Surface Area of Wound
  - What or Why Debriding
    - Infection – 11000 – 11001
      - Necrotizing Soft Tissue Infection – 11004- 11006
    - Fracture – 11010-11012
    - All other – 11042 -11047
  - Do not bill with 97597 - 97606

# Debridement

- Considered a separate procedure only when
  - Gross contamination requires prolonged cleansing,
  - Appreciable amounts of devitalized tissues are removed
  - When debridement is done without primary closure

# Methods of Debridement

- Surgical
- Sharp
- Larval
- Enzymatic
- Autolytic
- Mechanical
- Chemical

# Why Debride?

- Excessive inflammatory response, from necrotic or foreign material,
  - e.g. systemic release of cytokines such as tumor necrosis factor and interleukins, which promote a septic response
- Dead tissues inhibit wound healing
  - Retard wound contraction necessary for wounds to heal by secondary intention.

# Coding Conventions

- Site
- Size
- Depth
- Repair - Type



# Excision

- Lesion Size
  - Prior to anesthesia
  - Prior to removal
  - Prior to Formaldehyde
  - In centimeters
  - Measure diameter lesions
    - Measure length for repairs

# Measure Correctly

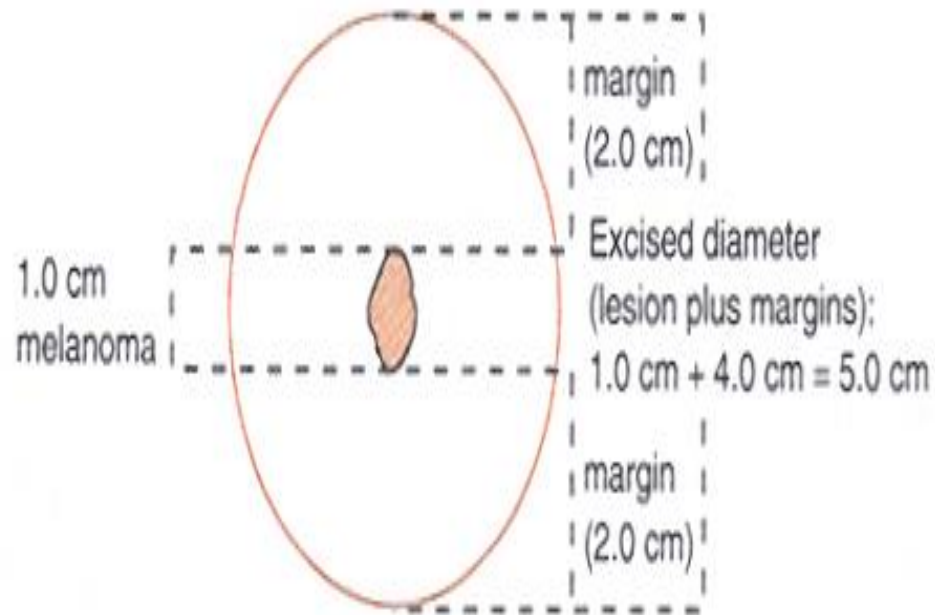
- Lesion code descriptions “include margins”
  - “Measure the **greatest clinical diameter** of the apparent lesion plus the **most narrow margins** required for excision.”
  - “The excised diameter is the same whether the surgical defect is repaired in a linear fashion, or reconstructed...”

# Frozen Sections

- Lesion code descriptions updated to “include margins”
  - When frozen section reveals a malignant lesion with margins requiring additional excision/re-excision then:
    - Bill only one code
    - Reflect the final widest diameter excised for complete tumor removal
    - Re-excisions in the postoperative period should be coded with a -58 modifier.

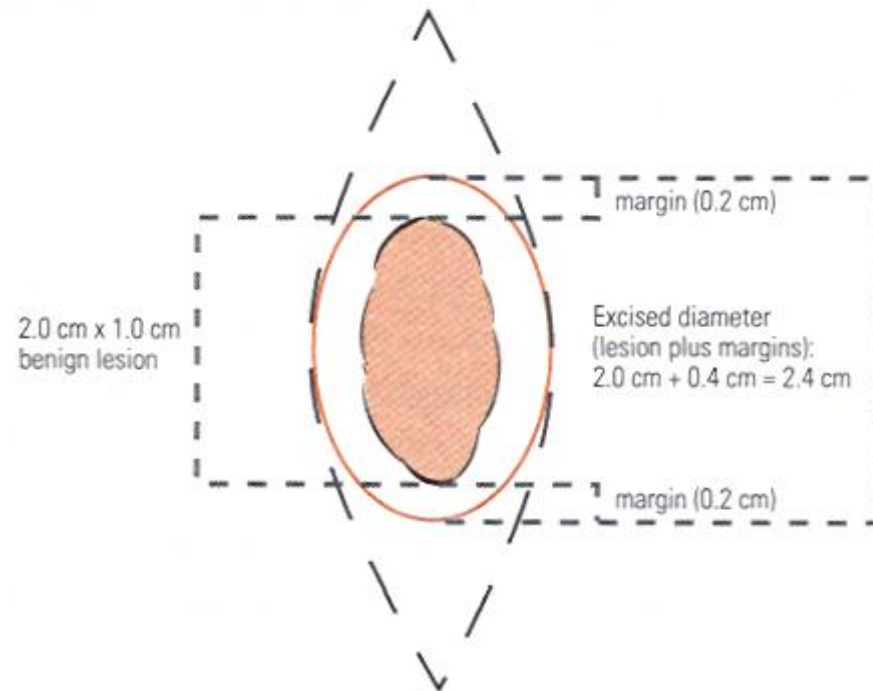
# Lesion Example A

\*A. Example: excision, malignant lesion of the back, 1.0 centimeters. Code 11606.



# Lesion Example B

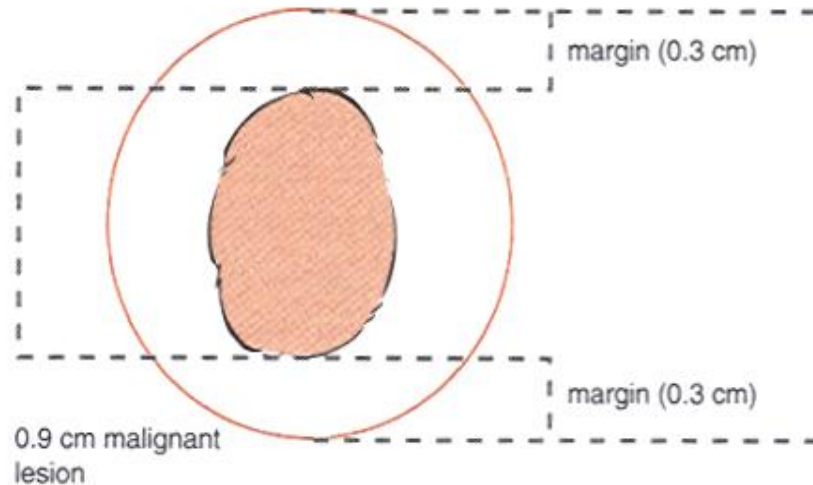
\*B. Example: excision of benign lesion of the neck, 1.0 centimeter by 2.0 centimeters. Code 11423.



# Lesion Example C

\*C. Example: excision, malignant lesion of the nose, 0.9 centimeters with skin margins of 0.6 centimeters.  
Code 11642.

Excised diameter  
(lesion plus margins):  
 $0.9 \text{ cm} + 0.6 \text{ cm} = 1.5 \text{ cm}$



\* Please note that these captions have been revised since the *CPT 2003 Professional Edition* was published.

# Determining Lesion Type

- Code to pathology report when morphology is determinable
- Choose CPT code that best reflects manner in which lesion was approached when morphology is ambiguous.

# Scar Revisions

- Use codes for excision of benign lesion
  - Includes simple closure
  - Full thickness through the Dermis
  - Do not code separately with adjacent tissue transfer



# Helpful Anatomic Terms

## Integumentary

- ***Necrotic*** – Refers to dead non-viable tissues
- ***Eschar*** – Refers to the thick dried crust that forms from the exudate that comes from a burn
- ***Hidradenitis*** = Infection of the sweat gland
- ***Sebaceous cyst*** – A cyst filled with sebum and keratin. Sebum is the secretion of the oil gland at the base of a hair follicle

# Helpful Anatomic Terms

## Integumentary

- ***Primary wound closure*** – This is the immediate closure of a wound usually with sutures, staples or tissue adhesive
- ***Secondary wound closure*** – This is delayed healing from the bottom up. See CPT code 13160

# Botox

- National Institute for Health and Clinical Excellence (NICE)
- NICE recommends that Botox can be considered as an option for the prevention of headaches for people who have chronic migraine (headaches on at least 15 days of every month, at least eight days of which are migraine) that has not responded to at least three prior preventative drug treatments.

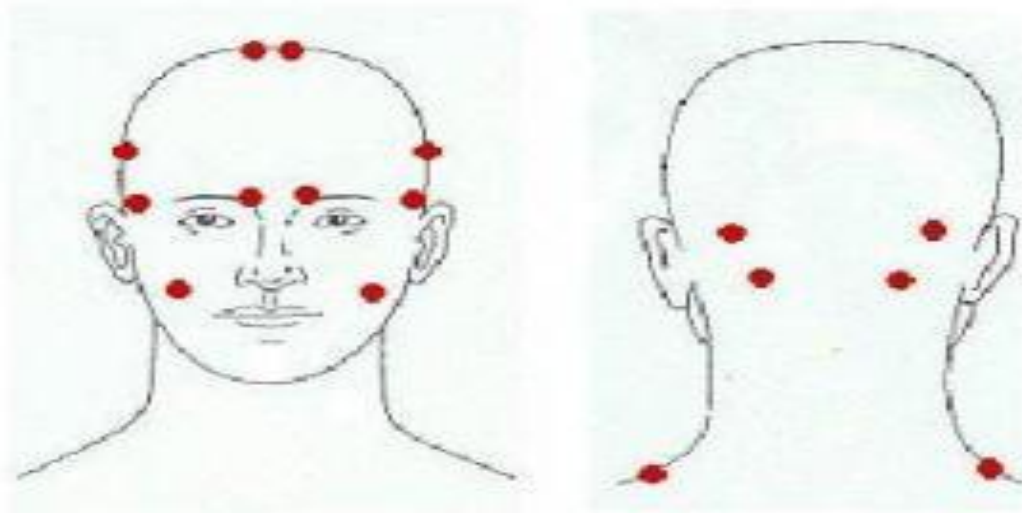
# What is Botulinum Toxin Type A (Botox)?

- Botulinum toxin type A, or Botox as it is commonly known, is a purified neurotoxin (nerve toxin) derived from the bacterium *Clostridium Botulinum*. It works by paralyzing the nerve supply to muscles, thereby restricting their movement.

# Variety of Botox Available

- Botox<sup>®</sup> (onabotulinumtoxinA)
- Dysport<sup>®</sup> (abobotulinumtoxinA)
- Xeomin<sup>®</sup> (incobotulinumtoxinA)
- [http://blue.regence.com/trgmedpol/drugs/dr\\_u006.pdf](http://blue.regence.com/trgmedpol/drugs/dr_u006.pdf)

# Migraine Trigger Points



**Note – Can have up to 31 injection sites for this.**

# 64615

- New for 2013
- Only once per session
- Label the muscles on your picture
- Record the correct number
- Schedule all on one day
- Wastage reported on last patient
- Use modifier JW
  - Report 2 lines with JW on line citing number of units wasted. Other line is units administered.

# Surgical Endoscopy

- Usually 10 day global or 000 day global
  - Per CMS NCCI decision to perform minor surgery is included in the surgery
  - A 25 may be appended to a separate significant problem/E/M service



# Techniques for Removing Polyps

- Cold Forceps 45380
- Cold Forcep Biopsy 45380
- Ablation 45383
- Hot Biopsy Forceps 45384
- Snare 45385

# EUS

- Ultrasound through the endoscope
- Can't code 76942 or 76975
- 43231 – Esophagoscopy U/S
- 43259 – UGI endoscopy U/S
- 45341 – Sigmoidoscopy U/S
- 45391 – Colonoscopy U/S

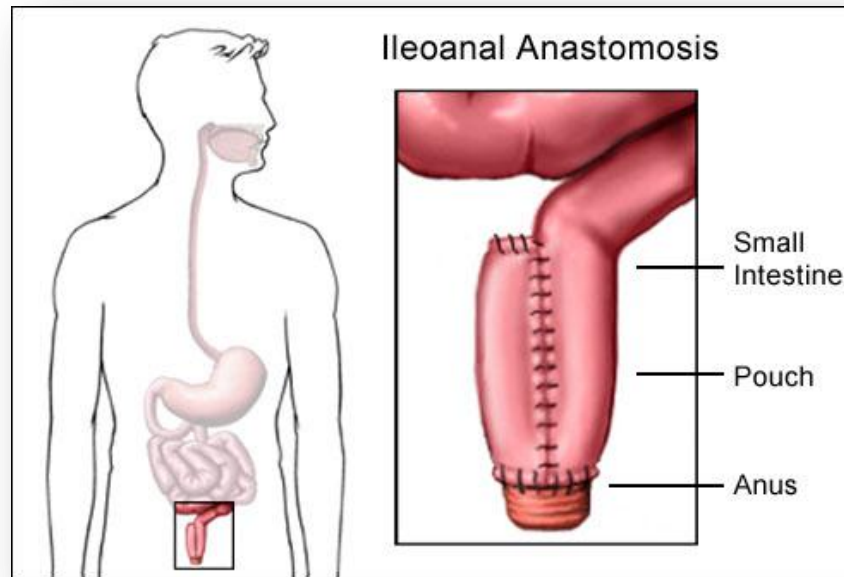
# Intestinal Tattooing

- Marks place on external intestinal wall for open resection of polyps
- Use 45381
- Dyes Used
  - India Ink
  - Indocyanine Green

# Checking J Pouch

- Use sigmoidoscopy to check patency of lumen and security of sutures or staples
- Pouchoscopy - synonym
- May be in global
  - Need modifier appropriate to circumstances

# J-Pouch



[www.webmd.com](http://www.webmd.com)

# J-Pouch

- **ileal J-Pouch**

An internal pouch -- which looks like the letter "J" -- is created from 10 to 12 inches of small bowel (ileum) as a reservoir for waste to replace the function of the rectum.

# Endoscopy Stomal

- See 44360 thru 44397
- 44385 is endostomal evaluation of small intestinal pouch
- 44373 is conversion of percutaneous gastrostomy tube to percutaneous jejunostomy tube

# CMS NCCI

- Integral Parts of the procedure are bundled
  - IV access
  - Infusion or Injection
  - Non-Invasive Oximetry
  - Anesthesia by Surgeon



# Schatzki Ring

- Smooth, benign, circumferential,
- Narrow ring of tissue in the lower end of the esophagus
- Located just above the junction between the esophagus and the stomach
- Occurring in more than 6% of the population.
- Cause not clearly understood
- Believe caused by long term damage from stomach acid reflux

# Barrett's Ulcers



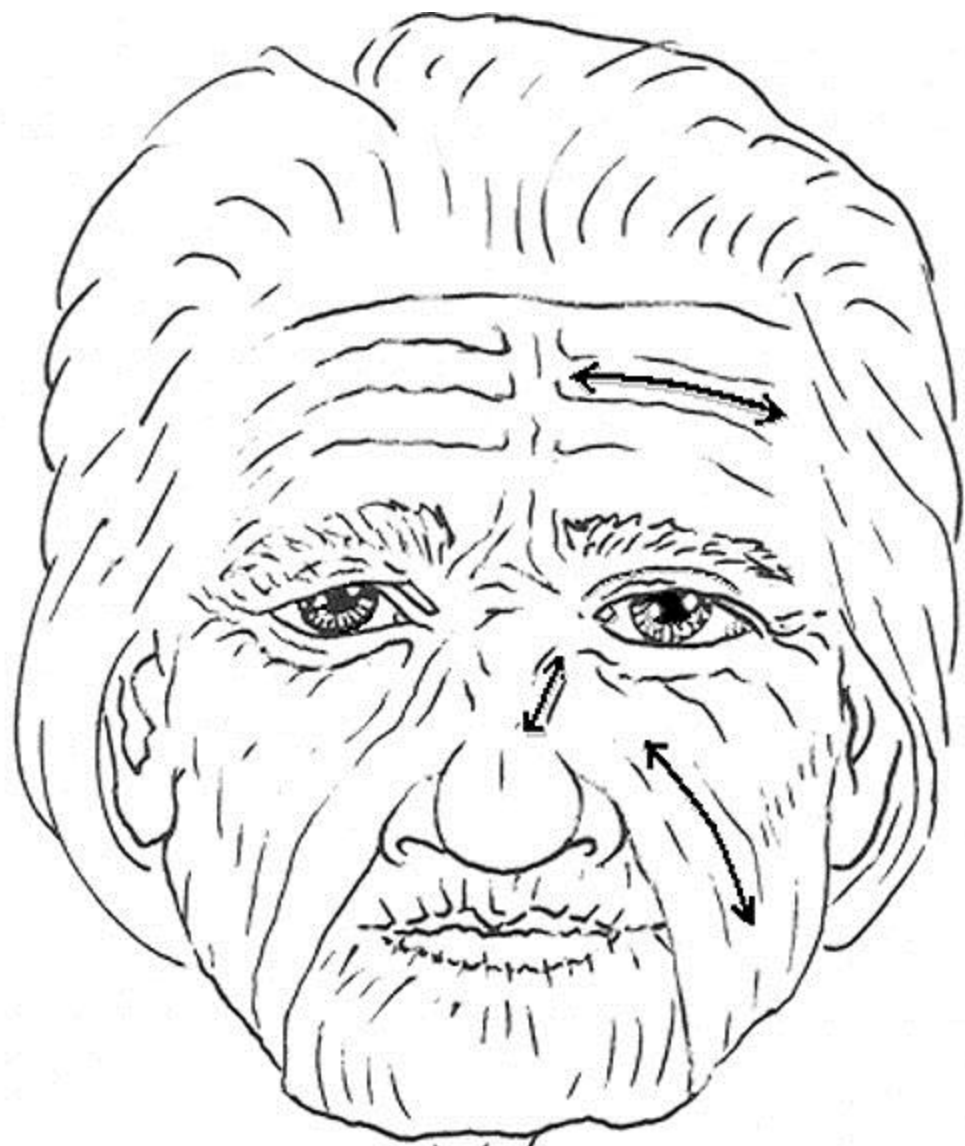
# Pectinate Line Separates the Two

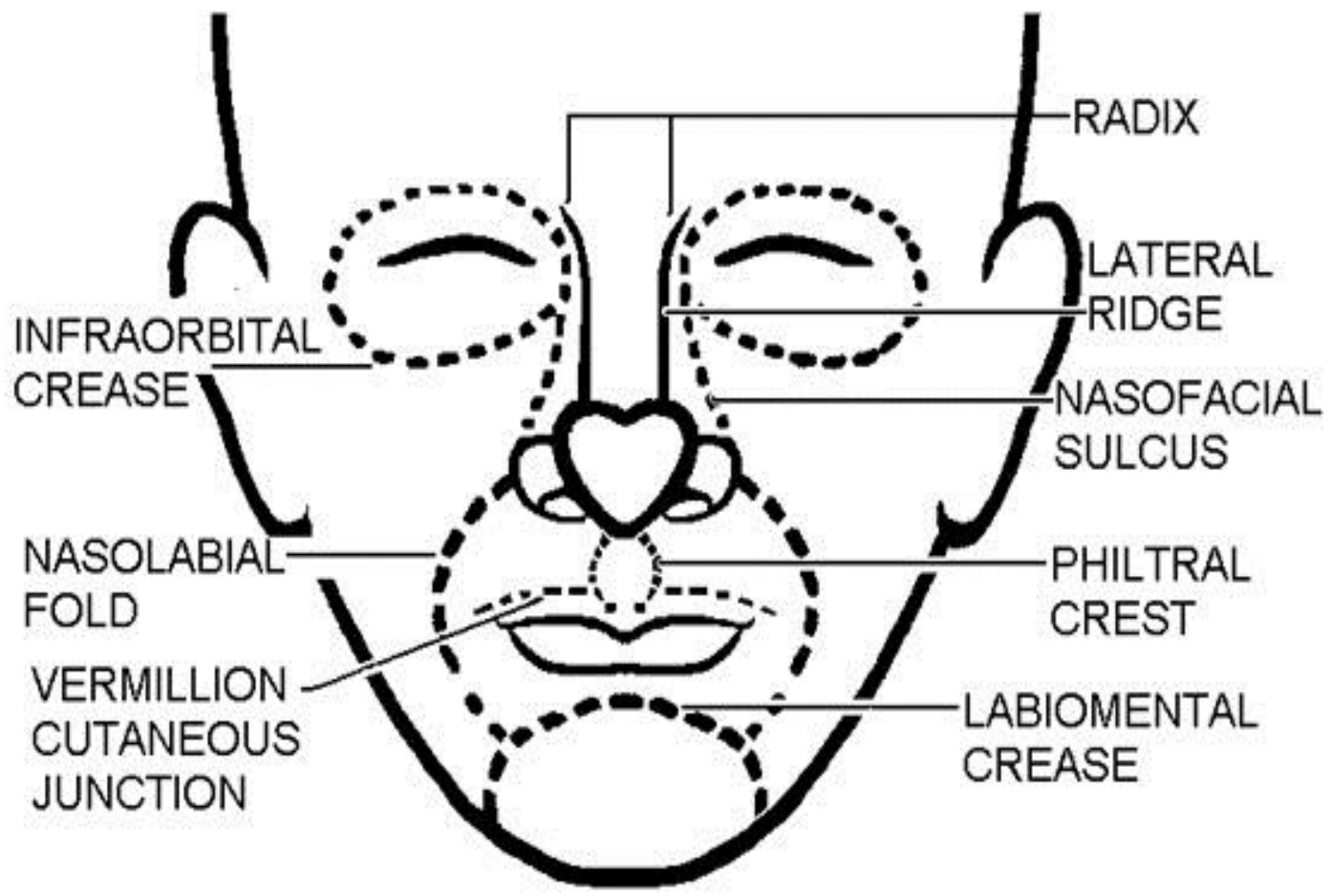
- Superior to pectinate line
  - Endoderm derivation (hindgut)
  - Mucosal lining (simple columnar) = above pectinate line
  - Hemorrhoids above line are referred to as internal (46221)
- Inferior to pectinate line
  - Ectoderm derivation
  - Stratified squamous epithelium = below pectinate line
  - Hemorrhoids below line are referred to as external (46250)

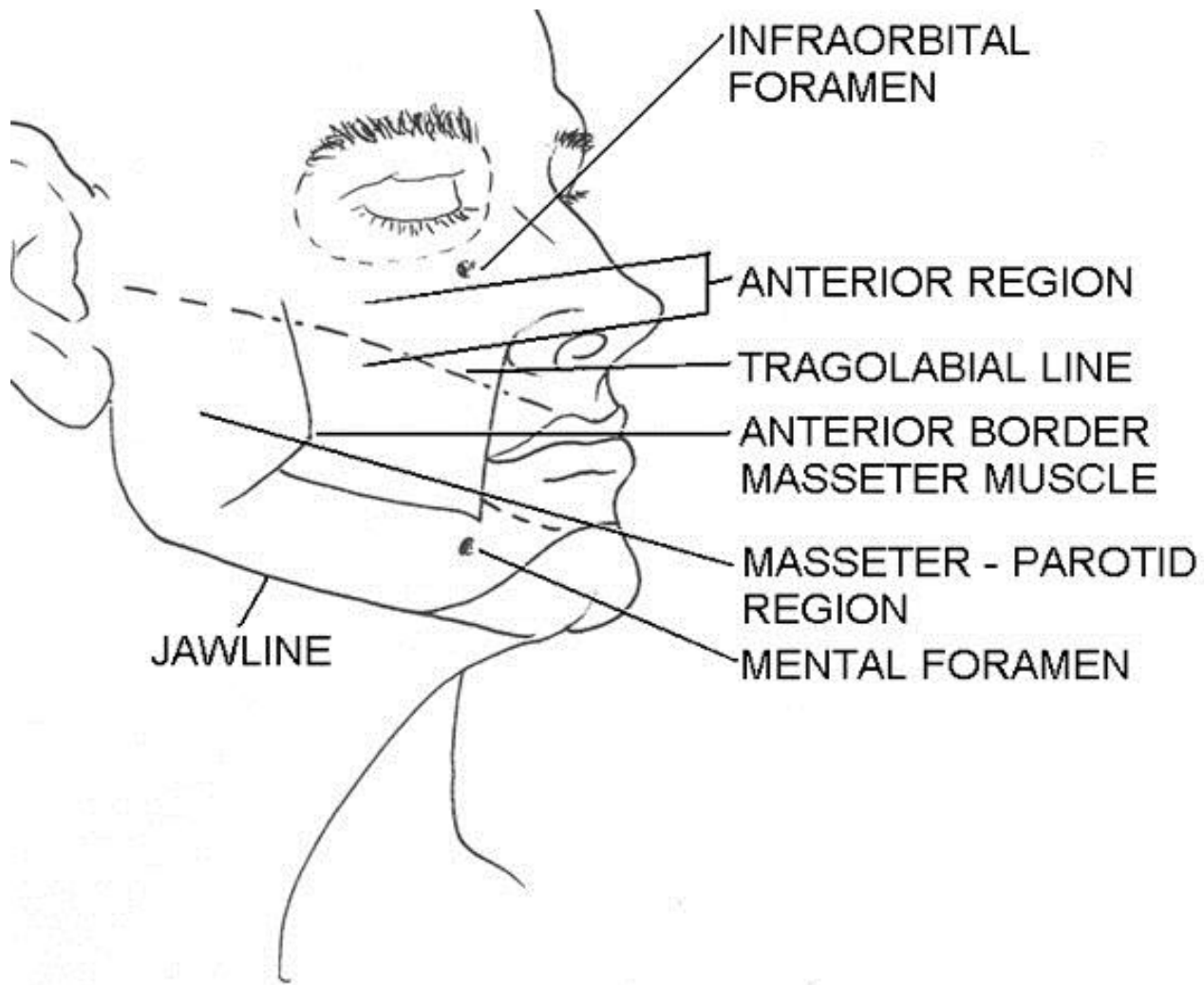
# Principles of Plastic Reconstruction

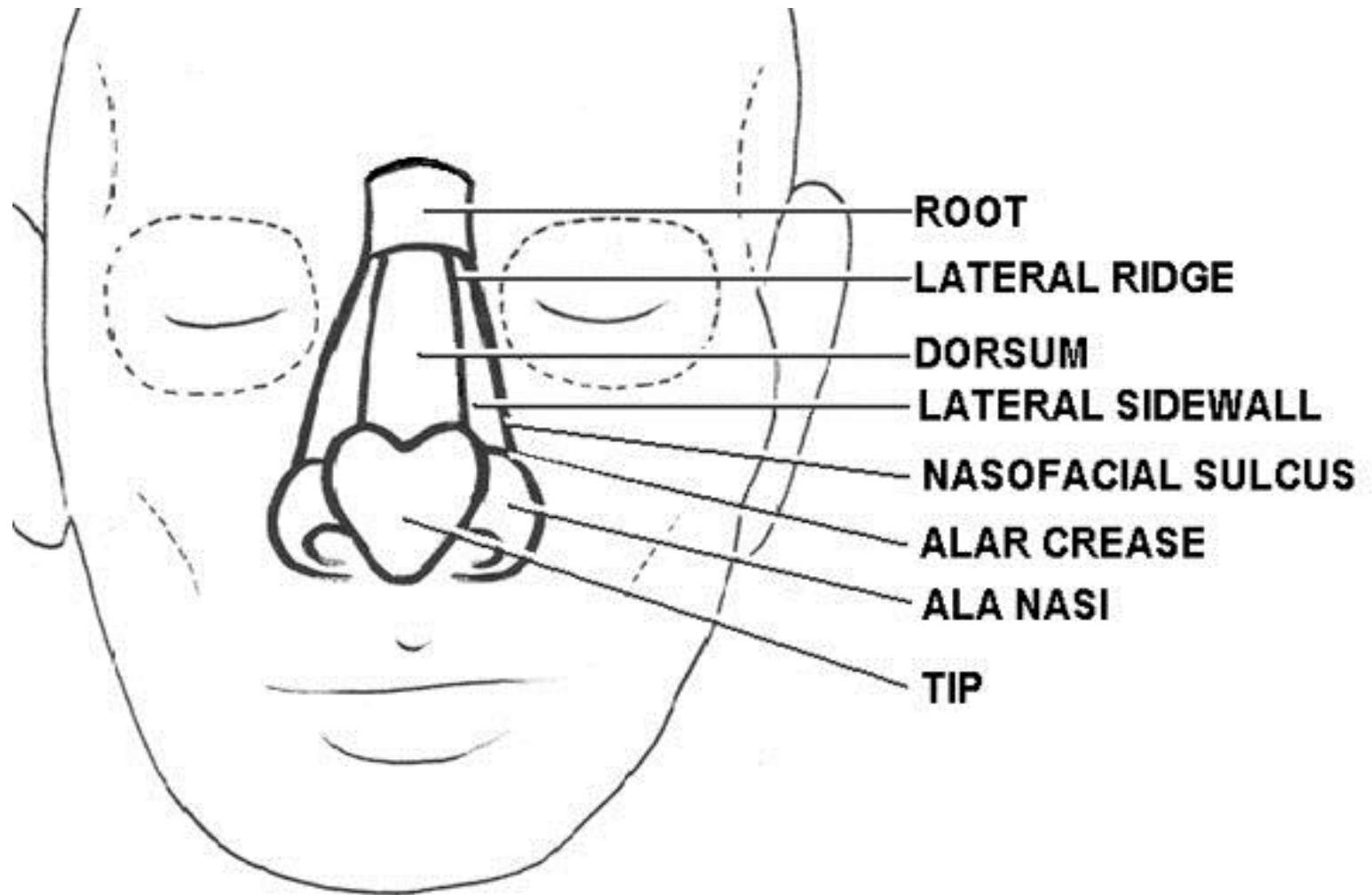
- Approach in a graduated fashion
- Address the defect using the least invasive method as appropriate
- Know the topography and do not cross borders between distinct areas.
- Make the most of the hills, valleys and shadows on the face
- Use like tissues
- Maintain

– FunctionBaker SR. History of nasal reconstruction. In: Baker SR, ed. Principles of Nasal Reconstruction. New York: Springer; 2010:1-11.











# The Nose



# Surgical Preparation Recipient Site

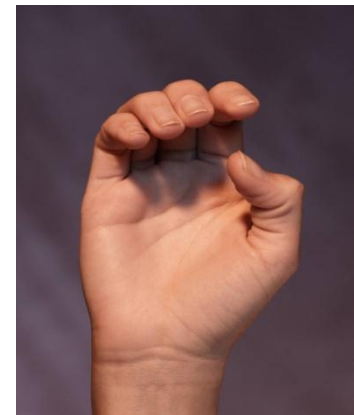
- 15002 – Surgical Preparation or creation of recipient site by excision of open wounds, burn eschar, or scar (including subcutaneous tissues), or incisional release of scar contracture, trunk, arms and legs; first 100 sq cm or 1% of TBSA of infants and children
  - +15003 - each additional 100 sq cm or 1% of TBSA of infants and children (list separately in addition to code for primary condition)

# Surgical Preparation Recipient Site

- 15004 – Surgical Preparation or creation of recipient site by excision of open wounds, burn eschar, or scar (including subcutaneous tissues), or incisional release of scar contracture, face, scalp, eyelids, mouth, neck, ears, orbits, genitalia, ; first 100 sq cm or 1% of TBSA of infants and children
  - +15005 - each additional 100 sq cm or 1% of TBSA of infants and children (list separately in addition to code for primary condition)

# Surgical Excision Recipient Site

- Size Matters
  - How big is 100 sq CM?
  - 1 inch = 2.54 cm
  - 100 sq cm = 10 cm x 10 cm
  - 10 cm ~ 3.93 inches or 4 inches rounded up
  - Visual = 100 sq cm ~ 4 inches x 4 inches (think 4x4 gauze)



# Skin Replacement

- Identify
  - The location
  - **Size of defect**
  - Type of graft
- Code by
  - Recipient Site
- Staged Procedures
  - Modifier -58

# Integument

- Autograft Codes – Epidermal
  - 15110 and 15115 – first 100 sq cm epidermal autograft
  - 15111 and 15116 for ea. additional 100 sq cm
- Autograft Codes – Dermal
  - 15130 and 15135 – first 100 sq cm dermal autografts
  - 15131 and 15136 for each additional 100 square cm

# Skin Grafts

- Size of recipient site
- Location of defect
- Types
  - Autograft - Genetically same person
  - Allograft - Genetically different person
  - Xenograft - Genetically different non-human source

# Types of Autografts

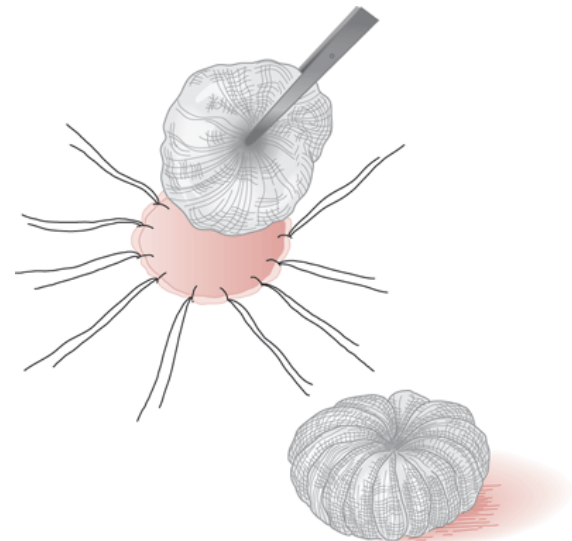
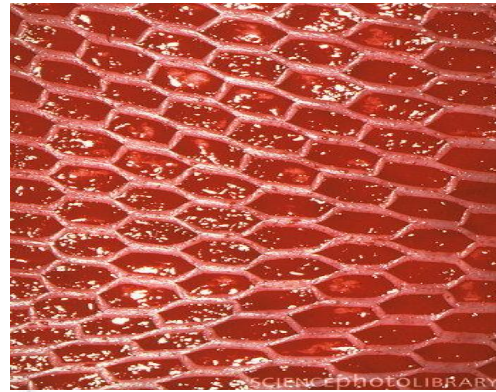
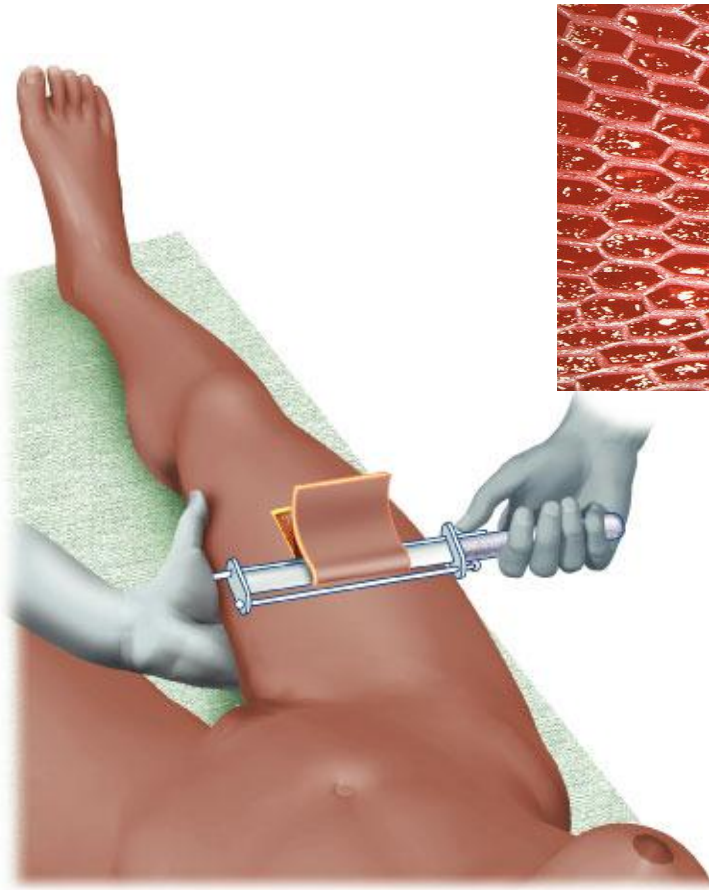
- Full thickness (15200-15261)
  - includes closure of donor site
  - specify code by site and then by size
  - includes simple debridement of granulation tissue
  - When repair of donor site requires graft then bill separate
  - “each additional 20 sq. cm...” = add on code and no modifier -51



# Split Thickness Grafts

- 15100 and 15120 First 100 sq cm or less....
  - 15101 and 15121 each additional 100 sq cm.

# Harvesting STSG



Source: Gerard M. Doherty: *CURRENT Diagnosis & Treatment: Surgery, 13th Edition*:  
<http://www.accessmedicine.com>

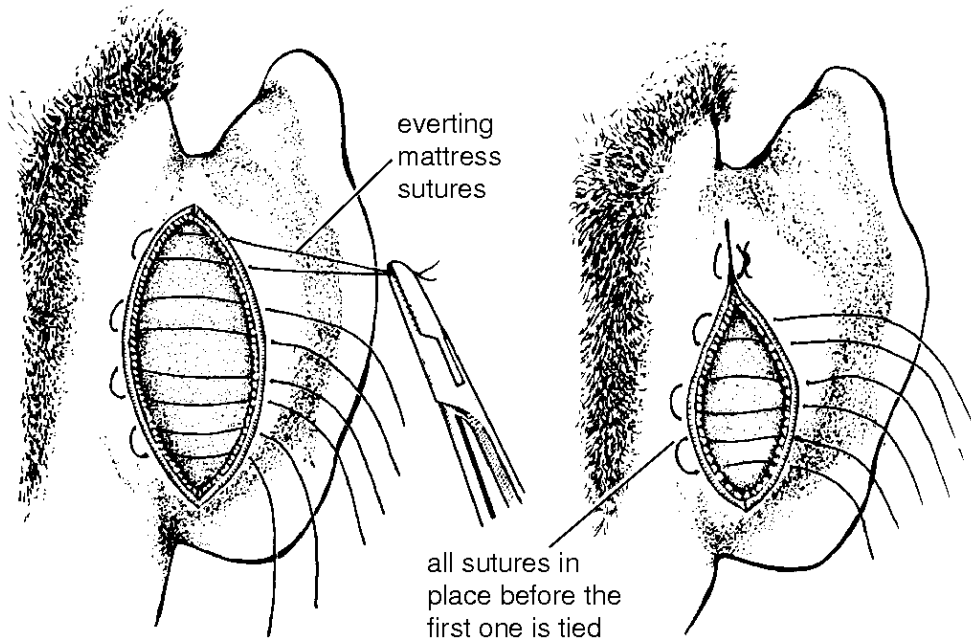
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# Phases of Healing

- Imbibition
- Revascularization
- Organization

# Full Thickness Skin Grafts

## TAKING A FULL THICKNESS SKIN GRAFT FROM BEHIND THE EAR

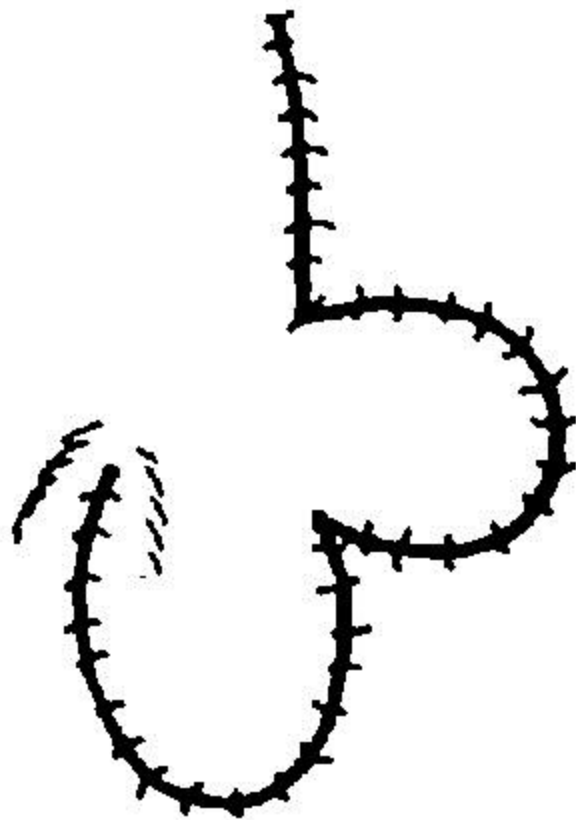


# Bilobed Flap

- Indication
  - The tissue adjacent to a cutaneous defect is not mobile enough to close the defect without causing tissue distortion
  - A double transposition flap
  - Allows for the movement of more skin over a longer distance

# Bilobed Flap

- Applied to facial areas where skin is less mobile (e.g., nasal tip, temporal forehead)
- Allows for reconstruction of the primary defect with skin of matching consistency and color



# Bilobed Flap

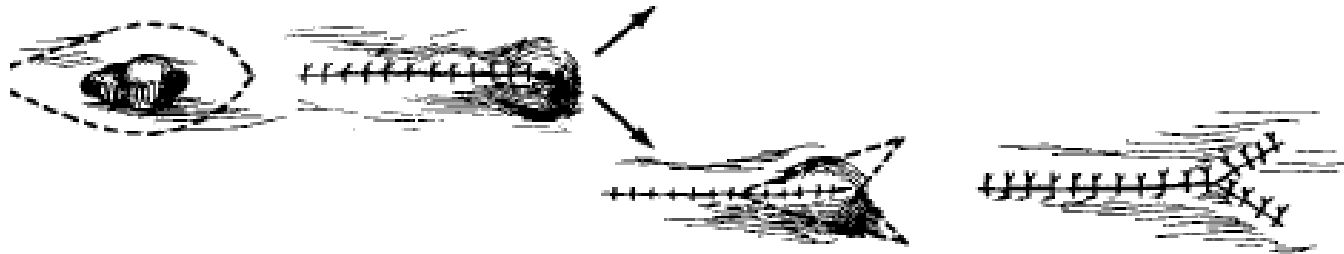
- Techniques to repair this include excision of excess tissue from the flap base, or from the skin adjacent to the flap
- Use of a 45° angle between flaps resulted in less of a pincushion effect, trapdoor deformity, and dog-ear formation



# Bilobed Flap

- Can result in prominent tissue protrusion (i.e., dog-ear or standing cone) at the point of rotation
- Can repair with a Burrow triangle included in the flap design at the base of the defect

# Methods to Resolve Dog Ears



# Other Flaps and Grafts

- Composite
  - Derma-Fat- Fascia
- Free skin flap with microvascular anastamosis
- Free Fascial flap with microvascular anastamosis
- Punch Graft - Hair transplant

# Subsection Guidelines

- Adjacent Tissue Transfer or Re-arrangement
  - Reminder lesion removal is included
  - Reminder that wound presenting with a Z or Y formation do not qualify here.

# Practice

- A 64 year-old patient presented to the plastics suite with a 5 X 3 cm defect to his left nare after Mohs micrographic surgery was performed by another surgeon to excise a morpheaform basal cell carcinoma. It was decided that a median forehead flap with involvement of the supratrochlear arteries on both sides of the forehead would be used for reconstruction so as to not jeopardize the flap

Procedure: After measuring the defect and planning is completed, a Doppler is used to identify the supratrochlear artery intraoperatively. The flap is designed to center over the arteries, sitting almost midline on the forehead. The flap is elevated, along with the arteries and part of the frontalis muscle. After the nasal defect is prepared, the forehead flap is transferred to the defect by rotating it 180 degrees, pivoting it at the base.

The flap is then checked to ensure no kinking or excessive twisting have occurred to the blood vessels. The flap is then inset with fine sutures. A simple closure is used for the donor site defect

# ENT Endoscopies

# Operative Note

Diagnosis: Acute Pansinusitis complicated subperiosteal

Functional endoscopic sinus surgery including:

1. Exam under anesthesia of left side
2. Right maxillary antrostomy with removal of sinus contents
3. Right anterior and posterior ethmoidectomy
4. Right frontal sinusotomy
5. Endoscopic drainage of right intracranial abscess
6. Decompression of right intraorbital subperiosteal abscess and medial orbital wall via transetmoid approach.
7. Stereotactic computer assisted navigation (extradural).



# Coding:

- **64999** Unlisted procedure, nervous system for the drainage of right intra cranial abscess
- **31255-22-RT** Nasal/sinus endoscopy, surgical; with ethmoidectomy, total (anterior and posterior) [Increased service for the Decompression of right intraorbital subperiosteal abscess and medial orbital wall via transethmoid approach.]

## Coding:

- **31256-RT** Nasal/sinus endoscopy, surgical, with maxillary antrostomy
- **+61782** Stereotactic computer-assisted (navigational) procedure; cranial, extradural (List separately in addition to code for primary procedure)

## Coding:

Under endoscopic and fluoroscopic guidance, the catheter was placed into the sphenoid ostium. The ostium was dilated using the balloon catheter after which the catheter was withdrawn.

# Coding:

- **Effective January 1, 2011, it would be reported with 31297**
- If the service included removal of bone with a cutting instrument, the standard endoscopic sinus surgery code would be reported as 31287, both in 2010 and thereafter

# Coding:

- **31295 Nasal/sinus endoscopy, surgical; with dilation of maxillary sinus ostium (eg, balloon dilation), transnasal or via canine fossa**

– **Notes:**

(Do not report 31295 in conjunction with 31233, 31256, 31267 when performed on the same sinus)

# Coding:

- **31296 Nasal/sinus endoscopy, surgical; with dilation of frontal sinus ostium (eg, balloon dilation)**
  - **Notes:**

(Do not report 31296 in conjunction with 31276 when performed on the same sinus)

# Coding:

- **31297 Nasal/sinus endoscopy, surgical; with dilation of sphenoid sinus ostium (eg, balloon dilation)**
  - **Notes:**  
(Do not report 31297 in conjunction with 31235, 31287, 31288 when performed on the same sinus)

# Drug Eluding Spacers

- A surgeon that endoscopically placed a drug-eluting spacer balloon into the frontal sinus after h/she had performed
  - an endoscopic bilateral frontal sinusectomy,
  - bilateral total ethmoidectomy,
  - bilateral maxillary antrostomy,
  - bilateral sphenoidectomy
  - and septoplasty.



# Drug Eluting Spacers

- The report reads, "Spacers were introduced into the frontal sinus bilaterally using the introducer and using a transilluminating guidewire to verify positioning. Kenalog was placed within drug-eluting spacer balloons. These were left in position in the frontal sinus." What would be the correct CPT code assignment for the endoscopic placement of the drug eluting spacer balloon in the frontal sinus?

## Coding:

- Although the drug eluding spacers may be placed with the Acclarent deployment guides, the balloon sinus codes are for dilation only, not for deployment of drug eluting, or plain, spacers or stents

## Coding:

- If the drug eluding spacers are placed in addition to balloon dilation, one would code:
  - **31299** Unlisted procedure, accessory sinuses for the placement of the spacers
- The drug spacers and deployment guides would be considered part of the facility fees

# Reimbursement and Appeals

- Finding Lost \$ \$
- Looking for Erroneous Trends
- Look for Multiple Procedure Reduction in correct RVU order

# Prior Authorization

- Know who and what require this
  - Example 58550 Laparoscopic Assisted Hysterectomy or 58670 Laparoscopic Tubal cautery
  - State Medicaid funds are required by federal law to have consent for these and best way to verify consent is via PA.
    - Need 30 day notice to the patient
    - See *Title 42 Code of Federal Regulations (CFR) 50 Subpart B*

# Quality Reporting

- October 1, 2012 go into effect
  - 5 G codes for adverse events
  - Will face financial penalties if a min of 50% of Medicare claims do not sport requisite G codes
- October 1 2012 to August 15, 2013 must report total surgical care volume for selected groups of procedures AND whether you used a safe surgery check list
- See hand out attached

# Denial Management

- Decipher and trend reason(s) for denial
  - Code Related
    - Bundle
    - Modifier
    - ICD 9CM
  - Coverage related
    - ABN vs. PA
  - Quality of Care Related
    - POS

# Medicare vs.. Private Payers:

- Medicare has a specific 5 step formalized appeal process
- Private payers until 2010 could institute their own appeals process:
  - The ease or difficulty is determined by the payer and their sense of “fair play”



# BIPA and MMA Changes To Part A and B Appeals Process

- **If the claim is denied, the notice to the parties must state the basis for the denial and how to apply for a redetermination.**
- The Contractor has 30 days to issue an initial determination on a clean claim, and 45 days on a non-clean claim.

# New Rules

## Affordable Care Act

- The Affordable Care Act
- Health care reform law passed in 2010
- Requires many health plans to meet basic standards regarding internal appeals and external review processes

# New Rules

## Affordable Care Act

- An internal appeal is when you ask your insurance company to determine if its first decision to deny coverage was a correct one
- An external review happens if your insurance company determines that its decision to deny coverage was correct and you believe that decision was in error
  - In an external review, you request that somebody outside the plan make a determination

# Work With Your Patients

- Consumers have the following rights:
  - Right to information about why a claim or coverage has been denied
  - Right to appeal to the insurance company
  - Right to an independent review

# Medicare vs.. Private Payers:

- Medicare has a single set of rules/regulations and the application of the rules by carriers is documented and available (Internet / Internet Only Manual)
- Up until the Affordable Care Act private payers could refuse to provide their appeals process in writing

# Private Payer Issues:

- Self funded insurance plans under ERISA answers to no one and has full latitude in their operation
- Some states have passed legislation, or have legislation being considered which treat self funded payers as any other payer in the state

# Private Payer Issues:

- Further problems are multiplied by “4th Party Payers” contracted to process claims by the insurer
- Unless legislation is passed to hold them to the states’ laws, they are exempt under the state’s insurance statutes

# Writing the Appeal

- Make the letter clear, simple and direct
- Always include a contact person, telephone number and fax number to contact you directly
- Include pertinent identifying information to link the claim, patient and or provider to the payer system



# Writing the Payer

- Identify the claim line that was not paid
- Identify the claim line that was underpaid
- Explain why the coding was correct and why it should have been paid
  - Show authoritative references
- Explain clinical appropriateness
- Explain unusual circumstances
- Submit clinical chart / documentation

# Questions?

