CPT Procedure Codes vs. E&M Codes

Adjudication Rule

Table of content

<table>
<thead>
<tr>
<th>Abstract</th>
<th>Scope</th>
<th>Adjudication Policy</th>
<th>Adjudication examples</th>
<th>Denial codes</th>
<th>Appendices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Page 1</td>
<td>Page 2</td>
<td>Page 2</td>
<td>Page 2</td>
<td>Page 3</td>
<td>Page 3</td>
</tr>
</tbody>
</table>

Abstract

For Members

Billing Rules are the adjudication rules, which are in compliance with official CPT, ICD-CM and HAAD/CCSC coding guidelines.

A billing rule defines the minimum requirements to be met when a service is claimed for a Daman beneficiary in terms of frequency, duration etc.

It explains the minimum required documentation to claim a service. It also defines the coverage of a service under a particular insurance plan administered by Daman.

For Medical Professional

Adjudication rules provides an overview of circumstances in which an E&M code can be billed in addition to a CPT procedure code(s) or vice versa during the same encounter.

Claiming E&M service with a minor procedure

As per HAAD Claims & Adjudication Rules V2012:

“E&M visit on the same day of endoscopy, minor or major surgery, unless significant, and separately identifiable beyond the pre-operative and post-operative work of the procedure”.

Procedures included within E&M codes

As per AMA CPT Assistant E&M includes several procedures which do not have a separate CPT code such as pelvic examination.

Disclaimer

By accessing these Daman Adjudication Rules (the “AR”), you acknowledge that you have read and understood the terms of use set out in the disclaimer below:

The information contained in this AR is intended to outline the procedures of adjudication of medical claims as applied by the National Health Insurance Company – Daman PJSC (hereinafter “Daman”). The AR is not intended to be comprehensive, should not be used as treatment guidelines and should only be used for the purpose of reference or guidance for adjudication procedures and shall not be construed as conclusive. Daman in no way interfere with the treatment of patient and will not bear any responsibility for treatment decisions interpreted through Daman AR. Treatment of patient is and remains at all times the sole responsibility of the treating Healthcare Provider. This AR does not grant any rights or impose obligations on Daman. The AR and all of the information it contains are provided “as is” without warranties of any kind, whether express or implied which are hereby expressly disclaimed. Under no circumstances will Daman be liable to any person or business entity for any direct, indirect, special, incidental, consequential, or other damages arising out of any use of, access to, or inability to use or access to, or reliance on this AR, including but without limitation to, any loss of profits, business interruption, or loss of programs or information, even if Daman has been specifically adviced of the possibility of such damages. Daman also disclaims all liability for any material contained in other websites linked to Daman website. This AR is subject to the laws, decrees, circulars and regulations of Abu Dhabi and UAE. Any information provided herein is general and is not intended to replace or supersede any laws or regulations related to the AR as enforced in the UAE issued by any governmental entity or regulatory authority, or any other written document governing the relationship between Daman and its contracting parties. This AR is developed by Daman and is the property of Daman and may not be copied, reproduced, distributed or displayed by any third party without Daman’s express written consent. This AR incorporates the Current Procedural Terminology and Current Dental Terminology (CPT® and CDT®), which is a registered trademark of the American Medical Association (“AMA”), and the American Dental Association (“ADA”) respectively, and the CPT and CDT codes and descriptions belong to the AMA. Daman reserves the right to modify, alter, amend or obsolete the AR at any time by providing one month prior notice.
CPT Procedure Codes vs. E&M Codes

Scope
This Adjudication rule provides an overview of the circumstances in which an E&M code can be billed in addition to a CPT procedure code(s) or vice versa during the same encounter.

Adjudication Policy

Eligibility / Coverage Criteria
Medically justified E&M codes are covered in addition to a CPT procedure code(s) only if compliant with billing and coding rules listed in this AR.

Requirements for Coverage
ICD and CPT codes must be coded to the highest level of specificity.

Non-Coverage
Coverage will be limited if not compliant with payment and coding rules.

Payment and Coding Rules
As per AMA CPT Book (2011), select the procedure or service CPT code that accurately identifies the services performed as per the documentation.

Remember some procedures may be part of Evaluation and Management code where as some other procedure CPT codes may include Evaluation and Management code (AMA CPT Assistant).

The key is identifying whether to bill Evaluation and Management code or procedure CPT code or both. Billing more CPT code or E&M code than necessary can be categorized as Unbundling (CCSC coding manual, 2011)

Claiming E&M service with a minor procedure
As per HAAD Claims & Adjudication Rules V2012:
"E&M visit on the same day of endoscopy, minor or major surgery, unless significant and separately identifiable beyond the pre-operative and post-operative work of the procedure”.

The above definition is in line with the “CPT surgical package definition” and AMA CPT Assistant.

As per CPT Assistant (June 2001), report a separate E&M in addition to CPT code for the same condition only if the key components need to be performed which is above and beyond the usual pre-service and post-service care associated with the procedure performed.

The above does not mean that a different diagnosis is always required for reporting an E&M code in addition to CPT code or more than one diagnosis will always warrant an E&M in addition to CPT procedure code.

The key is recognizing the physicians extra work which is "significant and separately identifiable beyond the pre-operative and post-operative work of the procedure"

The following questions can identify whether extra work was "significant and separately identifiable"

- Did the physician document any E&M for which any key components been performed in addition to the usual preoperative and postoperative care?
- Is that documented E&M service can stand alone as a billable service?
- Is there a different diagnosis of the visit?
- If not whether physician perform extra work above and beyond the typical pre- or postoperative work associated with the procedure code?

If the answers to the above questions are yes, then an appropriate E&M code can be claimed in addition to a minor procedure CPT code.

Procedures Included with E&M codes:
What procedures are included when E&M codes are reported?
As per AMA CPT Assistant E & M includes several procedures which do not have a separate CPT code such as pelvic examination.

Adjudication Examples

Example 1
Question:
A new patient had head trauma, came to a public provider with laceration of face. Physician performed a simple laceration repair. Can E&M service be separately billable in addition to CPT?

Answer: No, since any other significant and separately identifiable service is performed.

Example 2
Question: If for the same patient, in addition to the above, the physician also performs medically required full neurological examination, will an E&M service be separately reportable?

Answer: Yes, since medically required significant and separately identifiable neurological examination is performed (above and beyond the typical pre- or postoperative work associated with the laceration repair procedure code).
CPT Procedure Codes vs. E&M Codes

Denial codes

<table>
<thead>
<tr>
<th>Code</th>
<th>Code description</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRCE-002</td>
<td>Payment is included in the allowance for another service</td>
</tr>
</tbody>
</table>

Appendices

A. References
1. CPT book 2011
2. CCSC coding manual 2011
4. HAAD Claims Adjudication policy V2012

B. Revision History

<table>
<thead>
<tr>
<th>Date</th>
<th>Change(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>01-07-13</td>
<td>V 2.0: New template</td>
</tr>
</tbody>
</table>
| 15-07-14 | 1. V3.0  
2. Disclaimer updated as per system requirements  
3. Restored original effective date |