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Billing

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CPT Procedure Codes vs. E&M Codes

Adjudication Rule

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Responsible:
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Related Adjudication Rules:
None

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.

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.

It is inappropriate to bill more CPT/HCPCS codes than necessary (CCSC coding manual, 2011).

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).

Denial codes

Code	Code description
PRCE-002	Payment is included in the allowance for another service

Appendices

A. References

1. CPT book 2011
2. CCSC coding manual 2011
3. AMA CPT assistant 2011, 2007 , 1993
4. HAAD Claims Adjudication policy V2012

B. Revision History

Date	Change(s)
01-07-13	V 2.0: New template
15-07-14	1. V3.0 2. Disclaimer updated as per system requirements 3. Restored original effective date