Site Specific Dermatology Coding and Office Management Tips

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Patient with signs and symptoms of Sjogren’s syndrome is referred from rheumatology for biopsy of minor salivary gland on mucosal surface of the lower lip. How would you code this service?

A. 40490 Biopsy of lip
B. 40510 Excision of lip; transverse wedge excision with primary closure
C. 40808 Biopsy, vestibule of mouth
D. 40812 Excision of lesion of mucosa and submucosa, vestibule of mouth; with simple repair
E. 41108 Biopsy of floor of mouth
Remember Your Site Specific Biopsy Codes

69100 – Biopsy of external ear
40490 – Biopsy of lip
54100 – Biopsy of penis
56605 and 56606 add on – Biopsy of vulva
40808 – Biopsy of vestibule of mouth
30100 – Biopsy intranasal
11755 – Nail unit biopsy
41100 – Biopsy of tongue, anterior two thirds
41105 - Biopsy of tongue, posterior one third
41108 – Biopsy of floor of mouth
Biopsy of Eyelid

Eyelid biopsy code 67810 has been revised to clarify that eyelid biopsy must include lid margin, tarsal plate or palpebral conjunctiva. Typical eyelid skin biopsies would fall under the 11100 skin biopsy code.
Biopsy of Lip

The 40490 code is designated for lip biopsies done from the vermillion border to the dry-wet junction of the lip.
Does It Make a Difference to Reimbursement? Do the math!!

11100 - $104.98
69100 - $102.47
40490 - $132.20
67810 - $174.48
54100 - $203.14
11101 - $33.32

11100 + 11101 = $138.30
40490 + 11100 = $184.69
Question 2. A correct

After Mohs surgery for a lesion on the helix, the defect involves full thickness loss of significant cartilage requiring a wedge removal and two layer repair with 3 cm suture line length. Coding?

A. 12052 Repair, intermediate, wounds of face, ears, eyelids, nose, lips and/or mucous membranes; 2.6 cm to 5.0 cm

B. 13152 Repair, complex, eyelids, nose, ears and/or lips; 2.6 cm to 7.5 cm

C. 14060 Adjacent tissue transfer or rearrangement, eyelids, nose, ears and/or lips; defect 10 sq cm or less

D. 69399 Unlisted procedure, external ear
Don’t Bill Primary Closures as Flaps

Adjacent tissue transfer/rearrangement (ATT) is defined as the transfer of tissue to repair a defect such as traumatic avulsion, or an area where a large defect exists as the result of lesion excision. This procedure involves moving or lifting a normal, healthy section of skin (that remains connected at one or two of its borders) to an adjacent or nearby defect for the repair of the defect. A flap requires the physician to make additional incisions in the skin to develop a flap after excising a lesion.

Proper coding in this example would be a linear closure measuring the suture line the closure and each limb of the M-plasty

Alterations of standing cone placement do not a flap make!

(curvilinear closures, M-plasties)
Additional incisions need to be made to create a flap
Ear Repair Wedge / Star
Question 3  C correct

Patient presents with 4 cm tender lipoma on the forearm. Excision of the lesion requires extensive dissection and undermining for extirpation. The defect is closed in a layered fashion to obliterate dead space with a suture line length of 5 cm. How do you code?

A. 11404 and 13121

B. 11404 and 12032

C. 25071 Excision, tumor, soft tissue of forearm and/or wrist area, subcutaneous; 3 cm or greater

D. 25071 and 13121

E. 25071 and 12032
Excision of subcutaneous soft tissue tumors involves simple or marginal resection of tumors that are confined to the subcutaneous tissue below the skin but above the deep fascia (not intra-muscular).

These tumors are generally resected without removing a significant amount of surrounding normal tissue.
Other Soft Tissue Excision Codes

Musculo-skeletal excision codes are used for lesions that occur in the subfascial or fascial tissue, muscles or joints.

Radical resection of soft CT tumors involves the resection of the tumor with wide margins of normal tissue. Although these tumors may be confined to a specific layer (Sub Q or sub fascial), radical resection may involve removal of tissue from one or more layers.

Typically use this radical resection codes for malignant CT tumors or very aggressive benign CT tumors.
Excision Sub Q Soft Tissue Tumors

Code selection for excision of ST tumors is based on the location and size of the tumor.

Size = clinical tumor size plus margin

Excision of soft CT tumors includes simple and intermediate closure (complex closure documented separately)

Wide undermining just to remove the tumor doesn’t meet criteria for complex closure

90 days post op period
Excision Soft Tissue Tumors, Sub Q

21011/21012 - Face and Scalp <2 cm/>=2cm
21555/21552 - Neck and Anterior Thorax <3 cm/>=3cm
21930/21931 - Back and Flank <3 cm/>=3cm
23075/23071 - Shoulder area <3 cm/>=3cm
24075/24071 - Upper arm and elbow <3 cm/>=3cm

Site and size breakdown not as simple as integumentary excisions
Excision Soft Tissue Tumors, Sub Q

25075/25071 - Forearm/wrist <3 cm/>=3cm
26115/26111 - Hand and finger <1.5 cm/>=1.5cm
27047/27043 - Pelvis/hip area <3 cm/>=3cm
27327/27337 - Thigh and knee <3cm/>=3cm
27618/27632 - Leg and ankle <3cm/>=3cm
28043/28039 - Foot and toe <1.5cm/>=1.5cm
Excision Soft Tissue Tumors
SubQ

Documentation – Remember to indicate medical necessity of excision and that the lesion removed meets SubQ soft tissue criteria.

Cysts may push into the subQ fatty tissue but are skin lesions and excisions should be coded with the 114XX integumentary lesion excision codes.
Female patient presents with a large malodorous plaque of condyloma in the right inguinal fold that has been enlarging with irritation. The condyloma are destroyed by cryosurgery. Coding?

A. 56501  Destruction of lesion(s), vulva; simple (eg, laser surgery, electrosurgery, cryosurgery, chemosurgery)

B. 56515  Destruction of lesion(s), vulva; extensive (eg, laser surgery, electrosurgery, cryosurgery, chemosurgery)

C. 17110  Destruction (eg, laser surgery, electrosurgery, cryosurgery, chemosurgery, surgical curettement), of benign lesions other than skin tags or cutaneous vascular proliferative lesions; up to 14 lesions

D. 17111  Destruction (eg, laser surgery, electrosurgery, cryosurgery, chemosurgery, surgical curettement), of benign lesions other than skin tags or cutaneous vascular proliferative lesions; 15 or more lesions
Site specific destruction codes - penis

54055  Destruction of lesion(s), penis (eg, condyloma, papilloma, molluscum contagiosum, herpetic vesicle), simple; electodesiccation

54056  Destruction of lesion(s), penis (eg, condyloma, papilloma, molluscum contagiosum, herpetic vesicle), simple; cryosurgery

54057  Destruction of lesion(s), penis (eg, condyloma, papilloma, molluscum contagiosum, herpetic vesicle), simple; laser surgery

54060  Destruction of lesion(s), penis (eg, condyloma, papilloma, molluscum contagiosum, herpetic vesicle), simple; surgical excision

54065  Destruction of lesion(s), penis (eg, condyloma, papilloma, molluscum contagiosum, herpetic vesicle), extensive (eg, laser surgery, electrosurgery, cryosurgery, chemosurgery)
Site specific destruction codes - anus

46900 Destruction of lesion(s), anus (eg, condyloma, papilloma, molluscum contagiosum, herpetic vesicle), simple; chemical

46910 Destruction of lesion(s), anus (eg, condyloma, papilloma, molluscum contagiosum, herpetic vesicle), simple; electodesiccation

46916 Destruction of lesion(s), anus (eg, condyloma, papilloma, molluscum contagiosum, herpetic vesicle), simple; cryosurgery

46917 Destruction of lesion(s), anus (eg, condyloma, papilloma, molluscum contagiosum, herpetic vesicle), simple; laser surgery

46922 Destruction of lesion(s), anus (eg, condyloma, papilloma, molluscum contagiosum, herpetic vesicle), simple; laser surgery

46924 Destruction of lesion(s), anus (eg, condyloma, papilloma, molluscum contagiosum, herpetic vesicle), extensive (eg, laser surgery, electrosurgery, cryosurgery, chemosurgery)
Site specific destruction codes - other

40820 Destruction of lesion or scar of vestibule of mouth by physical methods (eg, laser, thermal, cryo, chemical)
Question 5  A correct

Patient presents with a pain abscess on the antihelix of the ear. You incise and drain the abscess expressing copious amounts of purulent drainage, apply dressings and prescribe antibiotics. Coding?

A. 69000 Drainage external ear, abscess or hematoma; simple
B. 69005 Drainage external ear, abscess or hematoma; complicated
C. 69020 Drainage external auditory canal, abscess
D. 10060 Incision and drainage of abscess (eg, carbuncle, suppurative hidradenitis, cutaneous or subcutaneous abscess, cyst, furuncle, or paronychia); simple or single
E. 10061 Incision and drainage of abscess (eg, carbuncle, suppurative hidradenitis, cutaneous or subcutaneous abscess, cyst, furuncle, or paronychia); complicated or multiple
Site specific I and D codes

40800  Drainage of abscess, cyst, hematoma, vestibule of mouth; simple
10080  Incision and drainage of pilonidal cyst; simple
10081  Incision and drainage of pilonidal cyst; complicated
10140  Incision and drainage of hematoma, seroma or fluid collection
10160  Puncture aspiration of abscess, hematoma, bulla, or cyst
10180  Incision and drainage, complex, postoperative wound infection
11740  Evacuation of subungual hematoma
56405  Incision and drainage of vulva or perineal abscess
56420  Incision and drainage of Bartholin's gland abscess
54015  Incision and drainage of penis, deep
46050  Incision and drainage, perianal abscess, superficial
ANALYZING YOUR FINANCIALS

# PATIENTS SEEN x AVG REIMBURSEMENT/PT + OTHER = NET INCOME

NET INCOME – EXPENSES = PROFIT
MAXIMIZING INCOME

# PATIENTS SEEN x AVG REIMBURSEMENT/PT + OTHER = NET INCOME

NET INCOME – EXPENSES = PROFIT
INCREASE PATIENT TRAFFIC

Increase/change office hours
Heavier scheduling
Cultivate referrals
Offer new services
Advertise
Hire another derm
INCREASE EFFICIENCY OF SEEING PATIENTS

Decrease face to face time with patients
  ◦ Use non professional staff/electronic devices more efficiently
  ◦ Scribes
  ◦ Limit number of problems

Improve scheduling

Minimize doctor waiting time
  ◦ Mail or email paperwork and appointment reminders to patients particularly for yearly skin check visits

Prepopulated Rx and instruction/education forms

Patient Recall System

Hire a NPP
PATIENT RECALLS / NO SHOWS

Do your patients return for appointments when you want them to? Do “no shows” cause holes in your schedule

Call each and every patient 2 days before appt. to confirm

Phone calls take too much staff time

UTILIZE COMPUTER, EMAIL, TEXTING SYSTEMS TO REMIND PATIENTS OF THEIR APPOINTMENTS

If no show rate is greater than 5%, it’s time to take action
  ◦ No show fee (deterrent not financial hardship)
ANALYZING YOUR FINANCIALS

# PATIENTS SEEN x AVG REIMBURSEMENT/PT + OTHER = NET INCOME

NET INCOME – EXPENSES = PROFIT
INCREASE REIMBURSEMENT PER PATIENT (per hour)

Make sure billing is optimized.

Are you undercoding for fear of failing an audit?

New patient E/M ($75-$110) reimburse more than established E/M ($43-$73). Fewer acne follow ups means more time for new pts.

Improve scheduling to account for revenue

Do the math on multiple surgery reductions /bringing patients back.
INCREASE REIMBURSEMENT PER PATIENT (per hour)

RENEGOTIATE INSURANCE CONTRACTS

DROP “LOSERS” – REPEATED NO-SHOWS, LOW PAYING INSURERS
Optimize Billing and Collections

Collect your copays up front. Once service is rendered, there is no reason for patient to pay.

- CO-PAYS AND DEDUCTIBLES SHOULD BE PAID UP FRONT
- For larger procedures, staff should figure out deductible status.
- CONSIDER JOE EASTERN’S SUGGESTION AND GET CREDIT CARD AUTHORIZATION FOR BALANCES

Home grown billing from your office or professional billing service? Do the math!!!

Look at all of your EOB’s.
Optimize Billing and Collections

Most practice management software does not show a patient balance after the amount due is sent to collections.

- Our collections of overdue balances increased by 35% when a note was added to the patient file for every balance sent to collections. The patient is not allowed to make an appointment until payment is fulfilled.
Other Income Sources

Sell products in the office
Aesthetician / Electrologist
Research Studies
Pharmaceutical speaking
Teledermatology?
Reducing Your Expenses

# PATIENTS SEEN × AVG REIMBURSEMENT/PT + OTHER = NET INCOME

NET INCOME – EXPENSES = PROFIT
LOWER EXPENSES

IMPROVE PURCHASING
  ◦ MEDICAL SUPPLIES, OFFICE SUPPLIES
  • LOOK AT ALL YOUR BILLS - FUEL SURCHARGES

NEGOTIATE FOR LOWER PRICES ON SERVICES (BIOHAZARD, INTERNET, LIQUID NITROGEN)

ASK!! Negotiate a lower rate with your collection agency.
REDUCE OFFICE THEFT

“Last year, 43 per cent of people admitted to taking things from work to keep for personal use, according to an AOL Jobs survey. Eighteen per cent of people claimed to have stolen items valued over $50.”
  ◦ Huffington Post, Feb 2015

NOT JUST MONEY

CONSIDER LOST INVENTORY
  ◦ COSMETICS
  ◦ OFFICE SUPPLIES

FOLLOW THE MONEY!
  ◦ Does cash match charge sheets?
  ◦ Are all patient encounters accounted for?
Possible sources of lost/stolen revenue

Charge tickets not accounted for
- Patient pays $300 for Botox treatment but there is no record of charges. Money goes unnoticed.

Charge ticket not checked against payment ledger/computer
- In above case, charge ticket altered to reflect $150 charge

Checks received by mail are handled by one person

Deposit is handled by only one person
Value your expensive products

What is the cost of lost products?
Could be syringes or vials of injectables.
Could be expensive skin care products.

Possible solution - Keep a log of injectables to avoid waste and theft

LOCKED CABINETS FOR COSMETIC PRODUCTS

Reduce temptation!!!!
THANKS FOR YOUR ATTENTION

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