



# NEWS from NICKA



- Optimal reimbursement with minimal risk
- Credentialed coders who are current on coding initiatives
- Proven solutions to assure your financial success
- Our specialty is emergency medicine!

Life is like a book. Each stage is a chapter that is continuously built on with experiences that we must encounter before we move on to the next. Depending on the read, there are pages that we may be inclined to skim and there are those that we take time to savor every word. So too can it be said about life!

Like a good book, life is full of lessons. We can neither undo the past nor live in the future. This very second is what we have. Live it to your fullest and practice a life focused on the moment!



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## *Tending to Reimbursement*

My mantra over the years has been to document, document, and document! Documentation truly is your best tool for minimizing liability risk while also optimizing revenues appropriate to the encounter. But wait, you may have gotten on the documentation bandwagon and still notice that your revenues are still coming up short. What's going on?

Revenue has never been more at risk than in today's volatile payer environment. I wonder, could this be emergency medicine in crisis? It's a fact! Emergency medicine professional and facility dollars continue to plummet. Payment denials from improperly coded claims and the increasing edit denials from private insurers have escalated and created more issues in the complex process of coding and billing.

Medicare requires providers follow detailed guidelines when billing for procedures and diagnostic services. Most coders know or should know Medicare rules and regulations. Medicare coding rules are specific, while other payers may follow the more subjective CPT descriptors or specific internal rules. As a result, coders must continually question how to accurately code and use modifiers to provide a complete picture of all services rendered.

One of the biggest issues that have recently surfaced is the bundling of many billable procedures into the E/M code. Private payers, with their 'internal rules' that are often kept secret, I might add, or even yet inaccessible to the billing and coding personnel, have had a tremendous impact on our specialty. Are you surprised by billing company statistics that indicate 40 – 60% of payers now bundle EKG's and Rhythm Strips into the level of service? One major billing

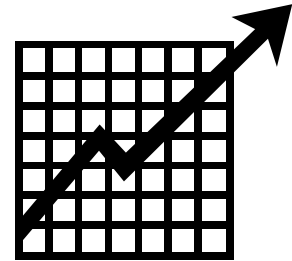
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## Fracture Care Forecast

Orthopedic care in the ED is a key issue and seems like it will be forever a controversial one (some things never change!). Definitive or restorative care versus supportive care will continue to escalate in 2006. Supportive care involves the splinting of a fracture that will require reduction or other additional treatment at a subsequent time. In other words, a temporary fix. If the fracture is definitively treated in the ED, the treatment is considered restorative and the fracture codes are billed. Restorative/Definitive Care is really a clinical decision and will vary from practitioner to practitioner or from group to group.



There are four ways to treat fractures:

1. Closed treatment
2. Closed treatment with manipulation
3. Open treatment
4. Percutaneous skeletal fixation.

Closed treatment is the most frequently used code series or fracture care delivered in the ED. Specifically, it means that the physician did not surgically open the fracture site. When the fracture or dislocation is significantly 'out of place' the physician may need to 'move', 'reposition', or 'realign' by applying tension to manipulate the displaced bone. This is the second most commonly used code series or fracture care delivered in the ED. There is no doubt that physicians provide fracture care in our emergency departments. But again, the issue becomes less about quality or service(s) provided, but rather a financial issue.

*Definitive or restorative care versus supportive care will continue to escalate!*

Fractures/dislocations have a higher RVU than an E/M code and receiving reimbursement for splint application is a challenge. Many payers bundle the splint into the E/M or consider it a nursing service. CMS rules state that to bill for splint application, the physician must provide the service him/herself. CPT allows for billing if documentation supports, such as, rechecking the splint application, neurovascular status and alignment.

The reality and perhaps the biggest challenge is getting the physician to document their involvement with the splint applications and the recheck of application by the ancillary staff. Billing fracture care constitutes a global surgical package. CPT says a global surgical package includes the following six steps:

1. Local infiltration, metacarpal, metatarsal, digital block or topical anesthesia
2. Subsequent to the decision for surgery, one related evaluation and management encounter on the date prior to, or on the date of the procedure (including history and physical)
3. Immediate postoperative care, including dictating operative notes, talking with family or other physicians
4. Writing orders
5. Evaluation of the patient in the post-anesthesia recovery area
6. Typical post-operative follow-up

## *Tending to Reimbursement* (continued from page 1)

company reported that this type of bundling of cardiology codes resulted in a total of \$519,000 in lost charges/billings per month nationally. With those statistics, consider how many EKG's are performed in your practice? You do the math: EKG code 93010 has an RVU of 0.24 and \$9.33 Medicare reimbursement. Let's say the historical average number of EKG's performed in your ED is 800 monthly. Simple math tells you the \$7,464 of monthly billings and \$89,568 of annual billings for EKGs are now potentially at risk. Now think bigger as most payers traditionally have reimbursed EKG's at a much greater rate than Medicare! The bundling of the EKGs, rhythm strips, chest X-rays, splint applications, intubations and CPR is reality and has had a sizeable financial impact on practice groups. This bundling is in direct conflict of CPT coding principals and should not be allowed to continue. All of the service organizations (ACEP, EDPMA to name a few) are working diligently on this problem. Check the details with your coding and billing vendor on this issue. Ignorance is NOT bliss in this case!

Another big issue facing our specialty is the threat from private payers to send payment to the patient, when the group has chosen a non-participating status with their plan. The real issue here is obvious: when we do not participate, we are reimbursed with 100% of billed charges. Participation reduces payment significantly. If payment goes to the patient, our chances of receiving payment are limited and statistically not favorable to say the least. This practice is truly generating a special class of self pay patients. Not good news.

Medical necessity denials continue to increase. The term medical necessity is rarely defined

and generally misunderstood. I realize we have discussed this in previous articles, but the loss in revenue due to diagnosis codes not supporting medical necessity has become problematic. Medical necessity must be documented by the clinical staff to support the level of service rendered and all procedures coded. Medical necessity begins with the chief complaint and extends throughout the encounter. It is how you manage your patient! Documentation should

be complete and thorough in order to provide a detailed discussion and includes:

- signs and symptoms
- underlying medical complications
- historical data
- ED course
- diagnostic tests and results
- final diagnosis.

The diagnosis code, when coded appropriately, should again reflect the signs and symptoms of the patient which should establish the medical necessity of the visit. Chronic diagnoses and non specific code assignment will decrease payment in addition to frequently getting down coded at the carrier's level. Medical necessity and diagnosis coding may be costing your practice revenues! Once again, the devil is in the details. Are you checking the details of your practice?

The degree of lost revenue your group may be experiencing requires a multifaceted analysis. Factors such as size of your group, the 'carrier rules' you are faced with, the expertise of your billing company to appeal the denials and bundling problems, coding expertise and their understanding of the changing rules all should be reviewed and considered. Take a good look at each of these elements!

In the mean time, my mantra will remain the same: document, document, document!





EXCELLENCE IN CODING, COMPLIANCE, & CONSULTING

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## Are You Keeping Up?

In the ever-complex world of emergency medicine, you may find it difficult enough keeping up with the changes in medicine - let alone changes in government regulations, coding and compliance requirements, the industry landscape and the multitude of other strategic issues.

That's why we're here... **Nicka & Associates** - Excellence in Coding, Compliance and Consulting.

**CODING:** At Nicka & Associates, we employ only credentialed, experienced coders. Our coding solutions offer you the confidence and peace of mind you desire when seeking a quality service provider. Whether you're in need of a total solution or just a few select services, such as back log or vacation coverage Nicka & Associates has an effective, reliable and cost-efficient solution for you.

**COMPLIANCE:** When was your last compliance check up? By utilizing the full array of Compliance Services provided by Nicka & Associates, you will be able to optimize financial performance while simultaneously reducing vulnerability to allegations of fraud or abuse.

**CONSULTING:** Effective management of change requires organizational leadership combined with selective consulting resources to stay on top in today's ED environment. Nicka & Associates offers consultation in physician, nursing, coding education, financial analysis and projections, efficiency recommendations, patient classification development, charge master review and development and more!

*News from Nicka* is designed to provide educational support and current information for ED documentation and coding. We strive to make every reasonable effort to ensure the accuracy of the material provided. Should you have any questions, concerns or comments, please feel free to contact us.