



# NEWS from NICKA

## Sharon's Corner

*Spring is such a wonderful time of the year! A spirit of energy abounds with bursts of color and new life all around us! Its nature's seasonal alarm clock for the world to wake up after the rest of winter.*

*Mother nature is so wise. We would do well to exercise the same in our own lives and practices in such a consistent, cyclical fashion! No matter what the season, each day is an opportunity to wake up to create and direct energies for the good! Go for it!*



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President & CEO  
Nicka & Associates, Inc.

- Optimal reimbursement with minimal risk
- Credentialed coders who are current on coding initiatives
- Proven solutions to assure your financial success

## Pandora's Box

You remember the story of Pandora's Box don't you? A beautiful box was a gift to Pandora from the gods, but was given with the warning that it should never be opened. (Some gift! A box she couldn't open – what temptation... who could refrain?) When Pandora's curiosity got the better of her, she lifted the lid and released every ailment, sorrow, pestilence and evil known to mankind. Horrified at what happened, she slammed the box shut.

Well it looks as though we have been presented with our own 2006 emergency medicine version of Pandora's Box. Many of you may know that Medicare officials say they have shelved attempts to revamp the Evaluation and Management Documentation Guidelines. As a result, a number of challenges have surfaced as individual carriers are making their own modifications to the Guidelines! And per usual, these modifications do not bode well for us. With the CMS directive allowing the carriers to make these modifications and re-interpret the long standing E/M documentation guidelines, the Box has been opened!

As with Pandora, CMS lifted a lid that could rock our financial survival! At risk are the long standing (10+ years) standardization of the E/M requirements. With the individual carriers like TrailBlazer Health Enterprises (Part B carrier for Delaware, DC, Maryland, Virginia and Texas) formulating their own interpretations of guidelines, believe me, standardization is in big trouble! We may ask ourselves, how could this be? I know that I do! Remember that old adage: 'He who has the gold makes the rules' or at least controls the 'gold'. The CMS action gives me 'angst' – it takes me back to the days of pre E/M - the level of service era when we were paid with inconsistency and chaos reigned at the payer level.

### Inside this Issue

Sharon's Corner	1
Pandora's Box	1
Observation	2
Urgent Care	2
Nuts & Bolts	3
Hydration Therapy	3

(continued on page 3)

## Observation Services

Observation status continues to cause confusion and coding errors. It becomes an even bigger issue for the facility coders who frequently confuse the rules with a CDU or Observation Unit.

The physical place the patient is observed does not impact the coding or billing. — location of the patient is simply not an issue. Remember, Observation is a status, not a location!

The physician must first and foremost write an order for transfer or admit to observation status. The orders should be written prospectively, not retroactively. In other words, if you are holding a patient for a prolonged period of time and feel the need to be compensated for the time, this is not considered observation — nor should the encounter be coded as such. If you

are ‘in doubt’ and are trying to avoid an unnecessary admission, then Observation status is the way to go!

It is important to note that an E/M code and Observation codes

*If admission is a foregone conclusion, then Observation is not necessary. The decision process is whether to admit, discharge or transfer*

cannot be billed together, so it is ‘either /or’.

Observation documentation requires more detail than an E/M level 99284 or 99285. A comprehensive OBS history

requires all three of the past/family/ social history elements. The physical exam components for OBS codes are either detailed 5 – 7 body parts or comprehensive 8 organ systems.

Documented time is an important requirement for OBS codes 99234 – 99236. Admission and discharge on the same day must have notes that meet all the requirements for admit and discharge including: timed exams, re-exams, procedures, discussion of diagnostic findings, nurses timed notes and discharge exam. Many observation templates exist – use one that provides you with the required prompts and checklists.

I would encourage you to take a good look at OBS. Capitalize on those increased ‘RVUs’. Reimbursement opportunities are rare these days! Check OBS out!

## Urgent Care On The Grow!

There really are three types of ‘customers’ for any business:

**Loyal Customers** – the one who will return to you despite offers by the competition

**Satisfied Customer** – the one who is open to the next ‘better’ opportunity

**Dissatisfied Customer** – The customer who is looking for someone else to provide the same service you offer.

Customer satisfaction is key in maintaining and growing an Urgent

Care Center practice. Listed below are the factors that urgent care patient customers consider:

- Hours
- Location
- Shorter Wait Times
- Lower Co-Pays / Lower Cost
- Services Provided
- Quality
- Friendliness
- Cleanliness
- Personalized Care

Did you know that surveys indicate that 68% of customers who do not return do so because of employee attitude? Food for thought for sure! You can make a positive impact by first taking a good look at your urgent care policies and procedures. Involve your staff and physicians in problem solving. And of course, evaluate your overall practice! This should be an ongoing function – especially in the area of customer service. Paying attention to the details will turn your urgent care patients into loyal customers!

## Nuts and Bolts

The nuts and bolts of our specialty have remained steadfastly the same. The controversies are consistent with the addition of a few. So let's compare nuts and bolts, controversies, challenges and of course, revenues over the last eighteen months.

Our specialty is built on emergent patient encounters that require detailed documentation to communicate the quality and value of care provided. Documentation is your best supportive tool for minimizing liability risk and optimizing reimbursement. It is the nut that holds the bolt in place so to speak.

ED operational efficiencies or inefficiencies are also part of the bolt. The processes in place in the ED contribute to the degree of success in getting correct

demographics, accounting for charts and a timely, chart flow process. Each time a chart is lost or incomplete, it becomes a source of lost revenue.

Included in tightening the bolt is a good billing company. When billing operational problems exist, the result is a weakness in the revenue process. As you monitor the billing company and details of your practice, key considerations should include: fee schedules, credentialing, chart accountability, reconciliation processes, technical support, and management reports.

Compliance is a challenge – just keeping up with all of the rules and regulations is a complex matter! The biggest challenge is the decreasing revenues and the many initiatives out there to continue on this downward slope. In an

attempt to offset this, we now have global competition with their promises to code and bill 'cheaper' than those of us that are based in the USA. Of course these entities do not have emergency medicine as their 'core' business. How do you determine their expertise and experience? Is it at all possible? How effectively can they truly serve you and our industry?

Emergency medicine must be understood - the nuances are too numerous to discuss. But suffice it to say you are best served by working with coding companies and billing companies who understand the ED industry. They need to be your advocate and be knowledgeable to cuss and discuss the issues with commercial payers, government payers and/or outside entities that may surface.

## Hydration Therapy

Do you find the new 2006 Hydration codes a little perplexing? Allow us to break it down a bit...

Codes 90760 and 90761 are appropriate for physician billing according to 2006 CPT principle. The issues of course will be appropriate documentation, diagnosis and medical necessity.

For hydration therapy coding and billing, documentation clarifications include:

- Supervision of nursing staff
- Time based – first 15 - 60 minutes; each additional hour
- Hydration is a separate service; document response of the service given.
- Remember medical necessity

of physician presence is required.

The codes will be carrier specific and policies will vary for the services and codes. There currently is no record of what carriers will do with these codes, if anything. But we won't know until we try!

### *Pandora's Box* (continued from p.1)

Has this been challenged? You bet - it has been the talk of the town for months! Will anyone listen? Perhaps... but history tells us that we seldom win a dollar driven decision.

In the mean time, I suggest you

check your state Medicare carrier rules and regulation to note if there are any changes in policy. The good news though is at this time, ACEP and all the medical societies are part of an initiative to stand by current and national standards. Perhaps

these challenges have got an ear and they are listening. At any rate, we will move forward, documenting, coding and billing according to and following the national standard.

Stay tuned—time will tell!



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**2006 Conferences and Exhibits**

***Nicka and Associates, Inc. will be participating in the following conferences:***

Urgent Care Association of America	Lake Tahoe, NV	April 5 - 8
Florida Emergency Physicians	Orlando, FL	April 10 - 13
Texas College of Emergency Physicians	Galveston, TX	April 20 - 21
EDPMA	Las Vegas, NV	May 10 - 12
ACEP: Reimbursement	Savannah, GA	May 31 - June 4
Michigan College of Emergency Physicians	Acme, MI	July 9 - 12
Ohio College of Emergency Physicians	Huron, OH	July 14 - 15
Florida College of Emergency Physicians	Ft. Lauderdale, FL	Aug. 10 - 13
ACEP: Scientific Assembly	New Orleans, LA	Oct 15 - 18
MGMA	Las Vegas, NV	Oct 22 - 25

***If you are planning to attend any of these conferences, we welcome you to contact us or stop by our exhibit !***

**News from Nicka** is designed to provide educational support and current information for Emergency Medicine 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 at: [www.nicka-associates.com](http://www.nicka-associates.com)