Auditors’ Desk Reference

A comprehensive resource for code selection and validation

ICD-10

2017

A full suite of resources including the latest code set, mapping products, and expert training to help you make a smooth transition. www.optumcoding.com/ICD10
**Contents**

Chapter 1. Auditing Processes and Protocols ............................................... 1  
  Claims Reimbursement .................................................................................. 1  
  Role of Audits ............................................................................................... 6  
  Medical Record Documentation ................................................................... 8  

Chapter 2. Focusing and Performing Audits .............................................. 19  
  Ten Steps To Audits ..................................................................................... 19  
  Identifying Potential Problem Areas ......................................................... 21  
  Clean Claims ................................................................................................. 21  
  Remittance Advice Review .......................................................................... 37  
  Non-medical Code Sets ................................................................................ 39  
  Common Reasons for Denial for Medicare .................................................. 40  
  General Coding Principles That Influence Payment ...................................... 55  
  Correspondence ............................................................................................. 74  
  Resubmission ................................................................................................. 74  

Chapter 3. Modifiers ...................................................................................... 75  
  What is a modifier? ....................................................................................... 75  
  Types of Modifiers ....................................................................................... 76  
  OIG Reports and Payer Review of Modifiers .............................................. 78  
  Modifiers and Modifier Indicators ............................................................... 79  
  Auditing Modifiers ....................................................................................... 82  

Chapter 4. Auditing Evaluation and Management Services ...................... 159  
  Evaluation and Management Codes ......................................................... 159  
  E/M Levels of Service ................................................................................ 160  
  Location of Service ..................................................................................... 160  
  Status of Patient ......................................................................................... 161  
  Documentation ............................................................................................ 161  
  Contributory Components ......................................................................... 177  
  Correct Coding Policies for Evaluation and Management Services ........... 180  
  Office or Other Outpatient Medical Services (99201–99215) .................... 185  
  Observation Hospital Services .................................................................... 189  
  Inpatient Services ...................................................................................... 191  
  Consultations (99241–99255, 99446–99449) .............................................. 193  
  Other Types of E/M Service ....................................................................... 200  

Chapter 5. Auditing Anesthesia Services .................................................... 221  
  The Reimbursement Process ..................................................................... 221  
  Code Selection ............................................................................................ 223  
  Modifier Selection ...................................................................................... 223  
  Qualifying Circumstance Codes ................................................................. 231  
  Correct Coding Policies for Anesthesia Services ....................................... 231  
  Anesthesia for Radiological Procedures ..................................................... 233  
  Monitored Anesthesia Care ....................................................................... 234  
  Units of Service Indicated .......................................................................... 235  
  General Anesthesia .................................................................................... 238  
  Monitored Anesthesia Care General Guidelines ....................................... 239  
  Regional Anesthesia .................................................................................. 240  
  Epidural Analgesia .................................................................................... 240
Chapter 6. Auditing Surgical Procedures .............................................. 247
  Date of Service ................................................................. 247
  Medical Necessity .............................................................. 247
  Complications and Unusual Services .......................................... 247
  Number of Units ................................................................... 248
  Documentation ....................................................................... 248
  Global Surgical Package Definition .......................................... 249
  Supplies and Materials Supplied by Physician ......................... 252
  Assistants at Surgery .......................................................... 254
  Separate Procedures ........................................................... 254
  Multiple Procedures ........................................................... 255
  Add-on Codes ...................................................................... 255
  Moderate (Conscious) Sedation ............................................... 255
  Unlisted Procedures ............................................................ 255
  Modifiers for Surgical Procedures ........................................... 256
  Procedures Performed on the Integumentary System ................. 257
  Procedures Performed on the Musculoskeletal System ............ 277
  Procedures Performed on the Respiratory System ................. 291
  Procedures Performed on the Cardiovascular System ............ 305
  Procedures Performed on the Digestive System .................... 339
  Procedures Performed on the Urinary System ....................... 388
  Procedures Performed on the Male Genital System ............... 399
  Procedures Performed on the Female Genital System ............ 408
  Pregnancy, Delivery, and the Puerperium ............................ 438
  Procedures Performed on the Nervous System ..................... 446
  Procedures Performed on the Eye and Ocular Adnexa .......... 452
  Procedures Performed on the Auditory System .................... 462

Chapter 7. Auditing Radiology Services ............................................. 465
  Date of Service .................................................................... 465
  Medical Necessity .............................................................. 465
  Procedure Coding .............................................................. 466
  Auditing Supplies ............................................................... 478
  Radiological Procedures ..................................................... 481
  Diagnostic Radiology/Imaging Procedures: By Specific Area (70010–76499) ... 482
  Diagnostic Ultrasound Procedures: By Specific Area (76506–76999) .... 483
  Radiologic Guidance: By Technique/Specific Area (77001–77022) ....... 484
  Radiography: Breast (77051–77063) .................................... 484
  Additional Evaluations of Bones and Joints (77071–77086) ......... 484
  Radiation Oncology Procedures: By Technique/Specific Area (77261–77799) .. 485
  Nuclear Radiology Procedures (78012–78999) ..................... 488
  Interventional Procedures ................................................... 488
  Special Report ................................................................. 489

Chapter 8. Auditing Pathology and Laboratory Procedures .............. 491
  Laboratory and Pathology Coding and Billing Considerations .... 491
  Modifier Assignment ......................................................... 494
  Billing Guidelines ............................................................. 495
  Medical Necessity ............................................................... 497
  Multi-test Laboratory Panels (80047–80076) ......................... 498
Contents

Pap Smear Screening (88141–88155, 88164–88167, 88174–88175) .................. 511
Surgical Pathology (88300–88399) ................................................................. 513
Other Pathology Services (89049–89240) .................................................... 513
Infertility Treatment Services (89250–89398) ............................................ 513

Chapter 9. Auditing Medical Services ....................................................... 515
Date of Service ............................................................................................ 516
Immune Globulins Serum or Recombinant Products (90281–90399) ........... 516
Administration and Vaccine Products (90460–90749) ............................... 516
Psychiatric Treatment (90785–90899) ......................................................... 518
Diagnostic Gastroenterology Procedures (91010–91299) ......................... 521
Ophthalmology Examinations and Other Services (92002–92499) .......... 525
Diagnostic Otorhinolaryngologic Services (92502–92700) ......................... 527
Cardiography and Cardiovascular Monitoring (93000–93278) ................. 530
Monitoring of Cardiovascular Devices (93279–93299) ............................. 533
Echocardiography (93303–93355) ................................................................. 535
Heart Catheterization (93451–93572) ......................................................... 539
Respiratory Services: Diagnostic and Therapeutic (94002–94799) .......... 549
Allergy Tests and Immunology (95004–95199) .......................................... 552
Hydration, Therapeutic, Prophylactic, and Diagnostic Injections and Infusions (Nonchemotherapy) (96360–96379) .............................. 556
Chemotherapy and Other Complex Drugs, Biologicals (96401–96549) .... 561

Chapter 10. After the Audit ................................................................. 565
Developing the Audit Report ................................................................. 565
Developing an Executive Summary ......................................................... 567
Calculate Potential Risks to Lost Revenue or Revenue at Risk ................. 568
Determine the Root Cause of the Error ....................................................... 569
Develop Recommendations for a Corrective Action ................................. 569
Implement Action Plan ........................................................................... 577
Reevaluation .......................................................................................... 577

Appendix 1. Audit Worksheets .............................................................. 579
Modifier Worksheet ................................................................................ 579
Evaluation and Management Services Worksheets .................................. 581
1997 General Multisystem—Audit Worksheet ......................................... 586
1997 Evaluation and Management Tic Sheet ............................................ 591
Transitional Care Management (TCM) Auditing Worksheet .................. 593
Surgical Auditing Worksheet .................................................................. 597
Radiology Auditing Worksheet ............................................................... 598
Laboratory Auditing Worksheet .............................................................. 599
Medicine Auditing Worksheet ................................................................. 600
Heart Catheterization Auditing Worksheet ............................................ 602
Non-Chemotherapy Injections and Infusion Auditing Worksheet .......... 604
Fracture Care Audit Worksheet ............................................................... 606
Wound Repair Audit Worksheet ............................................................. 608

Appendix 2. Place-of-Service Codes ..................................................... 611
Procedures Performed on the Eye and Ocular Adnexa

Anterior Sclera Procedures: By Indication/Specific Area of Eye (66130–66250)

This subsection includes procedures of the anterior sclera, a dense fibrous tissue that forms the “white” of the eye. The sclera helps to maintain the shape of the eyeball and is where the extrinsic muscles of the eye are attached. It is covered with the vascular episclera, the Tenon capsule (fascial bulbi), and the conjunctiva. The sclera comprises five-sixths of the eye surface, with the remaining one-sixth covered by the cornea, which bridges the anterior scleral foramen, one of the two large openings in the sclera. Procedures in this part of the eye are performed primarily for glaucoma, using a variety of techniques including aqueous shunt procedures.

Procedure Differentiation

Removal of a sclera lesion by cutting through the conjunctiva is reported with 66130.

Codes from range 66150–66185 are reported when controlling the pressure of the aqueous fluid in the eyeball.

Codes 66150–66172 describe fistulization of the sclera. Each code listed below includes an additional procedure or a different technique to achieve the fistulization.

- Code 66150 reports procedures using a trephine to remove a circular portion of the sclera and iris.
- Code 66155 describes thermocauterization where a portion of the sclera and iris are destroyed by burning with a hot probe.
- Code 66160 reports a sclerectomy using a punch or scleral scissors and includes an iridectomy. Various methods of sclerectomy include Lindner’s, Lagrange, Knapp’s, Holth’s, and Herbert’s operations.
- Assign code 66170 for trabeculectomy performed in the absence of previous surgery.
- Assign code 66172 for trabeculectomy performed on a patient who has scarring from previous ocular surgery or trauma. This code is to be used only when a trabeculectomy is performed on an eye that has conjunctival scarring from previous ocular surgery or injury. Examples include history of cataract surgery, history of strabismus surgery, history of failed trabeculectomy ab externo, history of penetrating trauma to the eyeball, or conjunctival lacerations. This procedure includes the injection of antifibrotic agents, such as 5-Fluorouracil (5-FU). The technique of injecting 5-FU is recognized as effective in reducing the number of failed procedures caused by the formation of scar tissue and fistula closure.

Aqueous outflow canal transluminal dilation is reported with codes 66174–66175. Report 66175 if a polypropylene suture is placed within the canal to improve aqueous outflow and preserve canal patency. This procedure is usually performed for open-angle glaucoma.

Procedures that pertain to aqueous shunt to extraocular reservoirs are reported with 66179–66185. Shunt procedures are performed in the anterior segment of
the eye to reduce and control intraocular pressure (IOP). Though aqueous is constantly flushed and renewed, its overall pressure is constant in a healthy eye’s anterior chamber. Too little or too much fluid can cause permanent damage. To enhance drainage, the physician places an ocular speculum in the patient’s eye and makes an incision in the conjunctiva. The physician then places tubing into the anterior portion of the eye at the juncture of the sclera and cornea (the limbus) and sutures tubing to the sclera. This improves the aqueous flow in the anterior chamber and is reported using 66179. The tube implant connects to an equatorial reservoir plate (a bleb) sutured into place behind the pars plana between the extraocular muscles. The physician stretches conjunctival tissue over the shunt and reservoir and sutures it into place. The physician then closes the incision with sutures and may restore the intraocular pressure with an injection of water or saline. A topical antibiotic or pressure patch may be applied. Report 66180 if the procedure includes a graft.

Code 66183 describes a procedure in which the physician treats a refractory, primary, open-angle glaucoma by draining aqueous humor from the anterior chamber directly into the Schlemm’s canal by shunting or stenting, lowering intraocular pressure (IOP) without the formation of a filtering bleb using an external approach. The physician inserts an implant via a superficial scleral flap through the trabeculum and into the anterior chamber. IOP is reduced by diverting the excess aqueous fluid from the anterior chamber to a subconjunctival bleb rather than to an extraocular reservoir.

When the documentation states that the physician revises a previously placed aqueous shunt to extraocular equatorial plate reservoir, report 66184. The physician places an ocular speculum in the patient’s eye and opens the previous incision in the conjunctiva. The tubing from the anterior chamber to the reservoir is revised or replaced. The physician then stretches conjunctival tissue over the shunt and reservoir and sutures it into place. The physician may restore the intraocular pressure with an injection of water or saline, and a topical antibiotic or pressure patch may be applied. Report 66184 for revision without graft and 66185 for revision with graft.

Repair of the sclera is reported with 66220–66225 and revision of an operative wound with 66250.

**Medical Necessity**
The following conditions may warrant these procedures (this list is not all inclusive):

- Essential or progressive iris atrophy
- Glaucoma
- Plateau iris syndrome

**Key Documentation Terms**
Documentation should indicate the surgical procedure that was performed. Terms such as excision, fistulization, revision, or repair provide the guidance needed to ensure correct code assignment. Above all else, the documentation should support the medical necessity of the procedure.

**Coding Tips**
- These procedures are generally performed with a subconjunctival injection, retrobulbar injection, or a topical anesthetic rather than general anesthesia.

---

**DEFINITIONS**

- **Iridectomy.** Surgical removal of part of the iris.
- **Plateau iris syndrome.** Primary angle-closure glaucoma in the absence of classic pupillary block, identifiable by an angle-closure attack. Occurs in the presence of a patent iridectomy caused by an abnormality of the peripheral iris.
# Heart Catheterization Auditing Worksheet

Account/medical record number: _______________________________________________

Date of service: __________________________________________________________

Date of review: __________________________________________________________

Reviewer: _______________________________________________________________

Type of review: ___________________________________________________________

<table>
<thead>
<tr>
<th>Anatomical Area</th>
<th>Procedure code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Left heart</td>
<td></td>
</tr>
<tr>
<td>Native coronary arteries</td>
<td>93452</td>
</tr>
<tr>
<td>Bypass</td>
<td>N/A</td>
</tr>
<tr>
<td>Native coronary and bypass graft</td>
<td>93459</td>
</tr>
<tr>
<td>Right heart</td>
<td></td>
</tr>
<tr>
<td>Native coronary arteries</td>
<td>93451</td>
</tr>
<tr>
<td>Bypass</td>
<td>N/A</td>
</tr>
<tr>
<td>Native coronary and bypass graft</td>
<td>93457</td>
</tr>
<tr>
<td>Right and left heart</td>
<td></td>
</tr>
<tr>
<td>Native coronary arteries</td>
<td>93453</td>
</tr>
<tr>
<td>Bypass</td>
<td>N/A</td>
</tr>
<tr>
<td>Native coronary and bypass graft</td>
<td>93455</td>
</tr>
<tr>
<td>Native coronary arteries</td>
<td>93454</td>
</tr>
<tr>
<td>Bypass</td>
<td>N/A</td>
</tr>
<tr>
<td>Native coronary and bypass graft</td>
<td>93451</td>
</tr>
</tbody>
</table>

## Congenital Procedures

<table>
<thead>
<tr>
<th>Procedure</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combined right heart and retrograde left heart</td>
<td>93531</td>
</tr>
<tr>
<td>Combined right heart and retrograde transseptal left heart</td>
<td>93532</td>
</tr>
<tr>
<td>(intact septum)</td>
<td></td>
</tr>
<tr>
<td>Combined right heart and retrograde transseptal left heart</td>
<td>93533</td>
</tr>
<tr>
<td>(through septal opening)</td>
<td></td>
</tr>
</tbody>
</table>

Were any of the Procedures Below Reported Separately: (Note that the codes below are add-on codes. Modifier 51 does not apply.)

<table>
<thead>
<tr>
<th>Procedure</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catheterization transseptal or transapical puncture</td>
<td>93462</td>
</tr>
<tr>
<td>Was this used in conjunction with 93452–93453, 93458–93461, 93582, 93653–93654? Yes__ No__</td>
<td></td>
</tr>
<tr>
<td>Ventricular or atrial angiography</td>
<td>93565</td>
</tr>
<tr>
<td>Was this used in conjunction with 93530–93533? Yes__ No__</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Procedure</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Right ventricular or atrial angiography</td>
<td>93566</td>
</tr>
<tr>
<td>Was this used in conjunction with 93451, 93453, 93456–93457, 93460–93461, 93530–93533? Yes__ No__</td>
<td></td>
</tr>
</tbody>
</table>