

COFFEE & CODING

Monday, March 25, 2024

Making the Right Choice Between Level 3 and Level 4: Part Two

In last week's Coffee & Coding, we provided a refresher on key points to remember about coding appropriately for Level 3. This week, let's do the same for Level 4.

Level 4 can be a little more challenging to attain and more subject to incorrect application. To cite just two examples of mistakes we frequently see, just because the encounter involved prescription management, or the provider discussed the risks and risks involving elective major surgery, that does not mean that you have fulfilled all of the requirements for Level 4.

So, how do we get it right? Let's look at examples from all three columns: Diagnosis, Data, and Risk.

These examples illustrate a correctly applied moderate **DIAGNOSIS** combination:

- One or more chronic illnesses with exacerbation, progression, or side effects of treatment
- Two or more chronic stable illnesses
- One undiagnosed new problem with an uncertain prognosis
- One acute illness with systemic symptoms
- One acute, complicated illness or injury

Now, some examples of moderate **COMPLEXITY OF DATA**:

- Independent interpretation of tests performed by another physician/other qualified health care professional (To receive credit, you must clearly state that the provider "personally read" the documentation.)

or

- Discussion of management or test interpretation with an external physician/other qualified healthcare professional

or

- Any combination of three of the following:
 - Review of prior external notes from each unique source
 - Review of the results of each unique test
 - Order of labs/testing
 - Independent historian

Finally, let's look at examples of moderate **RISK** of complications and morbidity/mortality of patient management.

- Prescription drug management
- Decision regarding minor surgery with discussion of procedure options and risk factors
- Diagnosis or treatment limited by SDOH (Social Determinants of Health)

Getting the Right Level

At least two columns must match to get to Level 4. However, they do not necessarily need to be from the same group. Here's an example. Let's say one category should be assigned a Level 3, another Level 4, and the third Level 5. In that case, lower the Level 5 to a Level 4 so that the two categories match, and you can bill the encounter at Level 4.

What also differentiates both Level 3 and Level 4 is how the clinician views the degree of the diagnoses. The provider may believe the condition is acute, but unless this is clearly spelled out in the dictation, coders and billers cannot infer the level of complexity or severity. Again, follow the simple rule: If it's not documented, it didn't happen. The good news: With all of the methods used for dictation (Dragon, scribes, etc.), it is easy to add to the dictation just by speaking. Few providers still handwrite or type their dictation, so spelling out the level of complexity should not take much time.

I always advise clinicians to be as detailed as possible with their dictations; this makes it easier for coders and billers to follow how the provider addresses the issues and removes the guesswork that can lead to errors and rework. More is better than less in these circumstances, so I always encourage physicians to articulate more of their thinking—how they reached the conclusions they did—when using the dictation programs or scribes. It can help achieve proper leveling so that providers get the credit (and reimbursement) they deserve for the time spent during these visits.

Speaking of physicians: Saturday, March 30, is National Doctors Day. To all the physicians who take care of us every day, THANK YOU!

Don't miss our "Ask the Experts" Q&A webinar on March 27! 1 hour of AAPC approved CEU credit available!

Click here to register: https://zoom.us/webinar/register/WN_DR96ITB4QVWgI5b2wxmKuw

If you have an E/M coding question you'd like our experts to address during the webinar, please submit it here: <https://survey.hsforms.com/1AI9VoMe-SK6MSUuAypFnmgnig0s>



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