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Complete Healthcare Compliance Manual
Health Information Management: Effects of Complex Coding Guidelines and Increased Workloads

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What Are the Complexities of Coding Guidelines and Their Effects on Increased Workloads?

A certified medical coder abides by the coding guidelines set forth in the American Medical Association (AMA) *Current Procedural Terminology (CPT) Professional Edition* code set, effective January 1 every year. The AMA first developed and published the CPT code set in 1966.[2] The intended goal of the coding system was to standardize descriptions of services and procedures through alphanumeric codes to convey accurate health information that various agencies could use for statistical and actuarial purposes.

AMA still defines *CPT, Fourth Edition*, as a listing of descriptive terms and identifying codes for reporting medical services and procedures performed by physicians and other qualified health care professionals.[3] The overall purpose of these codes is to provide a uniform language to effectively communicate to physicians, other qualified healthcare professionals, patients, and third parties alike. The CPT code set also is useful for administrative purposes, such as claims processing and the development of medical-service guidelines. And further still, it is useful for the purposes of capturing public health data at local, regional, and national levels.

Certified coders are educated and trained to abstract various codes from patient medical records. It is this clinical documentation that contains the medical services and procedures that directly correlate to the five-digit CPT codes.

The CPT code set is released annually in October but is not effective until January 1 of each new year. Certified coders are trained with instructions about how to use the book effectively and efficiently. Certified coders are also apprised of the many guidelines that accompany each of CPT's six main sections: Evaluation and Management, Anesthesia, Surgery, Radiology, Pathology and Laboratory, and Medicine. There are also additional sections for Category II and III Codes, as well as 16 Appendices for a certified coder to be use.

There is another set of codes contained in the Healthcare Common Procedure Coding System (HCPCS) Level II code book. Developed by the Centers for Medicare & Medicaid Services (CMS), it contains codes for services, supplies, durable medical equipment, and drugs. New HCPCS books are released in January of each new year, but quarterly updates are made available on the CMS website.

Certified coders are educated and trained to understand both the code structure and code selection process. HCPCS codes are made up of five alphanumeric characters, starting with a letter that represents a category of similar codes, followed by four numerals.[4]

Certified coders need to understand all applicable CPT guidelines before assigning codes to services and procedures that are documented in the medical record. The complexity of each section guideline and the effort to master new and revised codes have an impact on coders in the everyday work they perform.

A medical practice must maintain a well-regulated cash flow by submitting claims in a timely fashion. Certified medical coders are instructed to code by *volume*, in other words, to code all of the successful number of patient encounters on the same day they occurred. This approach is critical to the health and vitality of the revenue cycle.

However, without an emphasis on addressing attention to detail and thorough research on various coding guidelines, the implicit message of production increases coding errors. Therefore, placing importance of volume production over valuable performance accuracy poses the greatest area of risk to coding compliance. Coding errors can be categorized into areas of risk that involve upcoding, downcoding, and miscoding—resulting in Medicare and Medicaid claims denials, as well as significant overpayments and potential recoupments in subsequent years. These kinds of coding errors can cost healthcare organizations significant financial loss.