Unbundling and Oncology Services under Medicare

by Roberta L. Buell, M.B.A.

Q: *What is unbundling?*

A: Unbundling is the process of billing components of a procedure or service as separate services when they are, in fact, one service. The most common example is billing a hysterectomy, salpingectomy, and oophorectomy separately—although there is a comprehensive code for a hysterectomy. Unbundling services is considered fraudulent billing, even if Medicare does not pay for the unbundled services.

Q: *How is unbundling detected?*

A: Generally, payers use "editing" software to detect unbundling in claims. Medicare uses the Correct Coding Initiative (CCI) edits that were originally developed by AdminiStar Federal and enhanced by commercial software. Medicare publishes its edits so that providers can avoid inadvertent unbundled claims. Non-Medicare payers use commercial editing packages from companies such as McKesson HBOC, iHealth Technologies, or ClinicaLogic. Commercial edits are not published, which can make it harder to bill correctly and on time. Moreover, these edits may not make sense in terms of either standard community billing practices or CPT guidelines. In the past, we have found that edits contrary to CPT and/or Medicare guidelines can be successfully removed on appeal.

Q: *Does CCI unbundling apply to all Medicare claims (hospital and physician)?*

A: Yes, it does apply. Hospitals have additional claims edits for outpatient claims called the Outpatient Code Editor (OCE).

Q: *What are common unbundling issues in oncology?*

A: The most common CCI[1] unbundling edits experienced by oncologists include:

Laboratory. The code 85031 (hemogram, manual complete blood count with differential and indices) includes other blood count codes (85023, 85024, and 85027). This laboratory coding is confusing because some of the other codes are automated tests. With all laboratory coding, it is important not to bill tests included in a panel separately and/or not to bill components with the comprehensive code.

Chemotherapy administration. It has always been a temptation to bill 36000 (introduction of needle or catheter) with 96408-96412. Many oncology clinics have viewed this as a code for I.V. start. Unfortunately, it is an unbundling edit for Medicare and many other payers. Also included in 96408-96412 are 36410 (venipuncture necessitating a physician's skill); 90780-90781 (therapeutic infusion); and 99185 (hypothermia). Remember that a non-chemotherapy infusion or hydration (90780-90781) can only be billed the same day as chemotherapy if it is separate or sequential to (before or after) chemotherapy. If this condition is met, use –59 on the 90780-90781 to be reimbursed for these codes. The above unbundling edits have not yet been applied to the hospital outpatient chemotherapy administration codes (Q0081 or Q0083-Q0085).

Radiation. There are many unbundling edits in radiation oncology. It is important to remember that, for Medicare, many Evaluation and Management codes cannot be billed with certain radiation services, particularly treatment planning (77261-77263), treatment delivery (77401-77416), and treatment management (77427-77470).

Bone marrows. This is the trickiest area of all. Bone biopsies (20220-20225) should not be reported with the bone *marrow* biopsy (85102). The Medicare CCI also bundles the bone marrow biopsy (85102) and the bone marrow aspiration (85095) together. CPT[2] has defined these as separately reportable procedures. For this reason, many providers attach –59 to the aspiration (85095) when it is done with the biopsy. However, if you bill this way, we strongly recommend that you provide ample documentation that these procedures were done separately.[3] We also urge that you review carrier or fiscal intermediary guidelines prior to billing both codes.

Q: *How can we avoid unbundling?*

A: Know your CPT rules, have a mechanism for CCI edits, and watch your remittance advice. If your payment is denied because one code is "part of a more comprehensive procedure," that is an unbundling edit. By being vigilant, you can educate your clinical and administrative staffs about unbundling issues.

Roberta L. Buell, M.B.A., is president and chief executive officer of Intake Initiatives Inc./Documedics in San Bruno, Calif.

REFERENCES

[1]Correct Coding Initiative, Version 7.2, July 31, 2001.
[2]*CPT Assistant*, October 1998.
[3]*CPT Assistant*, July 1998.