

The Essential Guide to Coding in Audiology

Coding, Billing, and Practice Management

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Foreword

There has never been a more crucial time in the profession of audiology for a book on coding and reimbursement. Numerous changes have impacted reimbursement for audiology in the last several years: increased health care regulation, cutbacks for audiologists' services both diagnostic and rehabilitative, inconsistencies in payment between insurance providers, and the list goes on and on. Coding knowledge must be part of every audiologist's diet. Knowledge of coding helps increase your revenue. No knowledge of coding and you just might starve. It often seems like running in a maze. So "yes," this is a perfect time for a book on coding and reimbursement.

I am grateful to Dr. Abel who has been so passionate about the topic of reimbursement. Thanks to her leadership she has been able to move this reimbursement agenda forward. Dr. Abel has had a wealth of experience in coding and reimbursement throughout her career so this makes her the perfect choice as author and editor. Her career journey in this area includes:

- Owning a private practice in Alliance, Ohio where she first became frustrated with lack of audiology reimbursement
- 1980–1990 Member of the Ohio Governmental Affairs Committee (GAC) working on audiology reimbursement
- 1999–2000 Chair of the Coding and Reimbursement Committee for the American Academy of Audiology
- 2007–2015 Appointed to the position of Director of Reimbursement for the American Academy of Audiology
- 2008 Chapter "Coding, Billing, and Reimbursement Capture" in Glaser and Traynor, *Strategic Practice Management: A Patient-Centric Approach*
- 2014 Chapter "Coding, Reimbursement, and Practice Management" in Glaser and Traynor, *Strategic Practice Management: Business and Procedural Considerations, Second Edition*

Dr. Abel has provided a brilliant list of interesting highly qualified contributors each providing an exhaustive litany of valuable, relevant, and current information never before assembled in a single work. Dr. Abel begins the comprehensive text with two chapters beginning with a thorough discussion of various codes: CPT®, ICD-10, CM, and HCPCS, and a detailed guidance on Medicare billing.

Dr. Doug Lewis writing on "Federal Regulations Applicable to Audiology" will likely be viewed as the best treatise on the topic written in our field to date. He has hit the mark with well-developed clarity. Dr. Kim Cavitt writes on "Third-Party Reimbursement, Contracting, and Credentialing for Audiology Services." Dr. Cavitt provides an excellent review and delineation necessary for contract negotiations and optimal credentialing. She clarifies that it is the growth of hearing aids that has made the stakes higher and the need to understand third-party payers, contracting, and credentialing. Dr. Stephanie Sjoblad writes on "Itemizing Professional Services for Hearing Aids." She provides a brilliant discussion comparing "unbundling" and "itemizing" and includes an outstanding list of references. Kim Pollock, R.N., writes on "Practicing in an Otolaryngology Office: Understanding Your Role in the Revenue Cycle." She provides noteworthy tables and figures as well as reviewing Explanations and Benefits (EOB) documents.

This team of contributors' knowledge and expertise are, quite frankly, unsurpassed. Without question this book will provide a format others in various healthcare disciplines will likely emulate. There is clarity in every keystroke! For the practice of audiology to thrive in the current tumult that is health care, understanding coding and reimbursement is essential. This book lays the foundation for that success.

Robert G. Glaser, PhD
Past President, American Academy of Audiology

Introduction

This book was written only by audiologists for audiologists as a guide to bill and be reimbursed for the hearing and balance services performed within the framework of the required federal and state regulations applicable to audiologists. The goal of this book is to provide contemporary information and the supporting resources in one location for what may seem to be elusive information for audiologists as well as for students regarding coding, reimbursement, and compliance processes facing audiologists in most settings. At press time, there were no other coding and compliance books written exclusively for audiologists.

Coding and compliance is a dynamic process and to assist, a toolbox of the three code families vital to audiologists is detailed within these pages. The procedure codes (CPT® codes) utilized

by audiologists are offered with their Relative Value Units and should be used in conjunction with guidance from the American Medical Association (AMA) and the Centers for Medicare and Medicaid Services (CMS) as was done in the writing of this book. Both the disease codes (ICD-10 codes), current at press time, and the HCPCS codes for hearing aids and related services utilized by audiologists, found in the public sector, for example, the Internet, are also provided here so that the reader can have these at their fingertips in order to save time and effort. For options regarding hearing aid billing, insights into the world of insurance and contracts, understanding your revenue cycle, and the specifics of the laws that pertain to practicing audiologists and students, the readers only need to look so far as the other chapters.

CHAPTER 2

Introduction to Medicare

Debra Abel

Medicare is the largest payer and is also the payer with the most stringent rules that apply to enrolled providers. Because of the profession's Medicare status known as "other diagnostic services" defined by Social Security Act §1861(s)(3), audiologists must enroll in Medicare unless all diagnostic audiology services are provided to each patient at no charge. Physicians are allowed to opt out of Medicare which includes otolaryngologists (ENTs), but audiologists are *not*. In an otolaryngology office with audiologist employees, this could be problematic if an ENT chooses to opt out of Medicare and the enrolled practice audiologist cannot, especially when considering the ENTs are their likeliest source for orders and referrals of Medicare beneficiaries. It is imperative for every practice manager and owner to read sections 80 and 80.3 of Chapter 15, Covered Medical and Other Health Services, in the Medicare Benefits Policy Manual, most of which is included in this chapter, addressing the definition of a qualified audiologist, audiology services, physician orders, coverage, individuals who furnish audiology tests, documentation, treatment, and opting out. Another chapter of interest to audiologists is Chapter 16, General Exclusions from Coverage (<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c16.pdf>).

Medicare serves as the benchmark for many health care providers due to the imposed requirements, the most defined regulations applicable to audiologists; commercial payers may follow the

same guidelines or create their own less stringent guidelines. Medicare tracks this coding information and policies are created in response, especially when professional trends may occur (e.g., a significant increase in utilization of a procedure over several years) and is what led to the 2012 revised descriptions of the otoacoustic emissions codes for CPT® codes 92587 and 92588. It also required bundling of procedures performed on the same date of service, thereby reducing the reimbursement due to the elimination of pre-, intra-, and post-service times that are included within the code's valuation as seen in 2010 with the vestibular code bundle 92540. Additionally, Medicare tracks what is known as outliers, those providers who bill differently than their collegial counterparts for the same services, which may trigger an audit.

Medicare requirements are the foundation of the regulations which impact performing and billing Medicare diagnostic audiology procedures. The Centers for Medicare and Medicaid Services (CMS) Program Memorandum AB-02-080 states "diagnostic testing, including hearing and balance assessment services, performed by a qualified audiologist is paid for as 'other diagnostic tests' under §1861 (s)(3) of the Social Security Act (the Act) when a physician orders testing to obtain information as part of his/her diagnostic evaluation or to determine the appropriate medical or surgical treatment of a hearing deficit or related medical problem" (CMS, 2002). This is the fundamental reason why Medicare recognizes

audiologists only for diagnostic testing procedures and why a physician order is required. It would literally take an act of Congress to change these requirements.

Diagnostic audiologic services provided under the “other diagnostic test” category in section 1861(s)(3) of the Social Security Act are not to be billed as “incident to” services to Medicare. In 2008, the CMS issued Transmittal 84, which required all audiologists to bill services supplied to Medicare Part B beneficiaries under their own National Provider Identifier (NPI) and not by way of the NPI of a physician. Unfortunately, this practice of billing audiology services performed by an audiologist and billed by an otolaryngologist continues and if discovered, Medicare will likely seek repayments as well as penalties and interest.

At the time of publication, Medicare continues to recognize audiologists only as diagnosticians, not providers of treatment of hearing and balance disorders such as the rehabilitation of hearing loss, tinnitus management, and management of those experiencing imbalance disorders. Although more restrictive in scope than state licensure laws which define a provider’s scope of practice allowing diagnosis and treatment, some payers do recognize and reimburse for all professional services that audiologists are licensed to provide. It behooves a practice to be aware of the differences in requirements for audiological services among payers. It is also important to remember that as long as it is not contractually excluded, patients should expect to pay for items and services not covered by their third-party payers which includes Medicare.

Medicare Benefits Policy Manual Chapter 15: The Critical Foundation for Billing Audiologic Services

The following excerpts are the essential portions of section 80.3 of Chapter 15 of the Medicare Benefits Policy manual to provide the understanding of what Medicare requirements are and the necessity of following this guidance in order to be compliant with Medicare policies.

Chapter 15 of the Medicare Benefits Policy Manual, Section 80.3

80.3.1 Definition of Qualified Audiologist

This section defines what requirements an audiologist must meet in order to provide diagnostic services to Medicare.

“Audiological tests require the skills of an audiologist and shall be furnished by qualified audiologists, or, in States where it is allowed by State and local laws, by a physician or Non-physician practitioner. Medicare is not authorized to pay for these services when performed by audiological aides, assistants, technicians, or others who do not meet the qualifications below. In cases where it is not clear, the Medicare contractor shall determine whether a service is an audiological service that requires the skills of an audiologist and whether the qualifications for an audiologist have been met.

Section 1861(11)(3) of the Act provides that a qualified audiologist is an individual with a master’s or doctoral degree in audiology. Therefore, a Doctor of Audiology (AuD) 4th year student with a provisional license from a State does not qualify unless he or she also holds a master’s or doctoral degree in audiology. In addition, a qualified audiologist is an individual who:

- Is licensed as an audiologist by the State in which the individual furnishes such services, or
- In the case of an individual who furnishes services in a State which does not license audiologists has:
 - Successfully completed 350 clock hours of supervised clinical practicum (or is in the process of accumulating such supervised clinical experience),
 - Performed not less than 9 months of supervised full-time audiology services after obtaining a master’s or doctoral degree in audiology or a related field, and
 - Successfully completed a national examination in audiology approved by the Secretary.

If it is necessary to determine whether a particular audiologist is qualified under the above definition, the carrier should check references. Carriers in States that have statutory licensure or certification should secure from the appropriate State agency a current listing of audiologists holding the required credentials. Additional references for determining an audiologist's professional qualifications are the national directory published annually by the American Speech-Language-Hearing Association and records and directories, which may be available from the State Licensing Authority" (CMS, 2015).

Benefits Under Medicare

- "Hearing and balance assessment services are generally covered as 'other diagnostic tests' under section 1861(s)(3) of the Social Security Act. Hearing and balance assessment services furnished to an outpatient of a hospital are covered as 'diagnostic services' under section 1861(s)(2)(C).
- As defined in the Social Security Act, section 1861(l)(3), the term 'audiology services' specifically means such hearing and balance assessment services furnished by a qualified audiologist as the audiologist is legally authorized to perform under State law (or the State regulatory mechanism provided by State law), as would otherwise be covered if furnished by a physician" (CMS 2015).
- section 80.6 of this chapter for policies regarding the ordering of diagnostic tests.
- If a beneficiary undergoes diagnostic testing performed by an audiologist without a physician order, the tests are not covered even if the audiologist discovers a pathologic condition.
- When a qualified physician orders a qualified technician (see definition in subsection D of this section) to furnish an appropriate audiology service, that order must specify which test is to be furnished by the technician under the direct supervision of a physician. Only that test may be provided on that order by the technician.
- When the qualified physician or NPP orders diagnostic audiology services furnished by an audiologist without naming specific tests, the audiologist may select the appropriate battery of tests" (CMS, 2015).

Orders

- "Audiology tests are covered as 'other diagnostic tests' under section 1861(s)(3) or 1861(s)(2)(C) of the Act in the physician's office or hospital outpatient settings, respectively, when a physician (or an NPP, as applicable) orders such testing for the purpose of obtaining information necessary for the physician's diagnostic medical evaluation or to determine the appropriate medical or surgical treatment of a hearing deficit or related medical problem. See

Coverage and Payment for Medicare Audiology Diagnostic Services

"Coverage and, therefore, payment for audiological diagnostic tests is determined by the reason the tests were performed, rather than by the diagnosis or the patient's condition. Under any Medicare payment system, payment for audiological diagnostic tests is not allowed by virtue of their exclusion from coverage in section 1862(a)(7) of the Social Security Act when:

- The type and severity of the current hearing, tinnitus, or balance status needed to determine the appropriate medical or surgical treatment is known to the physician before the test; or
- The test was ordered for the specific purpose of fitting or modifying a hearing aid.

Payment of audiological diagnostic tests is allowed for other reasons and is not limited, for example, by:

- Any information resulting from the test, for example:
- Confirmation of a prior diagnosis;
- Post-evaluation diagnoses; or
- Treatment provided after diagnosis, including hearing aids, or
- The type of evaluation or treatment the physician anticipates before the diagnostic test; or
- Timing of reevaluation. Reevaluation is appropriate at a schedule dictated by the ordering physician when the information provided by the diagnostic test is required, for example, to determine changes in hearing, to evaluate the appropriate medical or surgical treatment, or to evaluate the results of treatment. For example, reevaluation may be appropriate, even when the evaluation was recent, in cases where the hearing loss, balance, or tinnitus may be progressive or fluctuating, the patient or caregiver complains of new symptoms, or treatment (such as medication or surgery) may have changed the patient's audiological condition with or without awareness by the patient.

Reasons for Ordering Audiologic Tests

Examples of appropriate reasons for ordering audiological diagnostic tests that could be covered include, but are not limited to:

- Evaluation of suspected change in hearing, tinnitus, or balance;
- Evaluation of the cause of disorders of hearing, tinnitus, or balance;
- Determination of the effect of medication, surgery, or other treatment;
- Reevaluation to follow-up changes in hearing, tinnitus, or balance that may be caused by established diagnoses that place the patient at probable risk for a change in status including, but not limited to: otosclerosis, atelectatic tympanic membrane, tympanosclerosis, cholesteatoma, resolving middle ear

- infection, Menière's disease, sudden idiopathic sensorineural hearing loss, autoimmune inner ear disease, acoustic neuroma, demyelinating diseases, ototoxicity secondary to medications, or genetic vascular and viral conditions;
- Failure of a screening test (although the screening test is not covered);
- Diagnostic analysis of cochlear or brainstem implant and programming; and
- Audiology diagnostic tests before and periodically after implantation of auditory prosthetic devices.

If a physician refers a beneficiary to an audiologist for testing related to signs or symptoms associated with hearing loss, balance disorder, tinnitus, ear disease, or ear injury, the audiologist's diagnostic testing services should be covered even if the only outcome is the prescription of a hearing aid" (CMS, 2015).

Individuals Who Furnish Audiology Services

Audiologists

Audiologists are defined by the Social Security Act, section 1861(l)(3) as:

"Audiological tests require the skills of an audiologist and shall be furnished by qualified audiologists, or, in States where it is allowed by State and local laws, by a physician or Non-physician practitioner.

Medicare is not authorized to pay for these services when performed by audiological aides, assistants, technicians, or others who do not meet the qualifications below. In cases where it is not clear, the Medicare contractor shall determine whether a service is an audiological service that requires the skills of an audiologist and whether the qualifications for an audiologist have been met.

Section 1861(l)(3) of the Act provides that a qualified audiologist is an individual with a master's or doctoral degree in audiology. Therefore, a Doctor of Audiology (AuD) 4th year student with

a provisional license from a State does not qualify unless he or she also holds a master's or doctoral degree in audiology. In addition, a qualified audiologist is an individual who:

- Is licensed as an audiologist by the State in which the individual furnishes such services, or
- In the case of an individual who furnishes services in a State which does not license audiologists has:
 - Successfully completed 350 clock hours of supervised clinical practicum (or is in the process of accumulating such supervised clinical experience),
 - Performed not less than 9 months of supervised full-time audiology services after obtaining a master's or doctoral degree in audiology or a related field, and
 - Successfully completed a national examination in audiology approved by the Secretary.

Qualified Technicians or Other Qualified Staff

“The qualifications for technicians vary locally and may also depend on the type of test, the patient, and the level of participation of the physician who is directly supervising the test. Therefore, an individual must meet qualifications appropriate to the service furnished as determined by the contractor to whom the claim is billed. If it is necessary to determine whether the individual who furnished the labor for appropriate audiology services is qualified, contractors may request verification of any relevant education and training that has been completed by the technician, which shall be available in the records of the clinic or facility.

Depending on the qualifications determined by the contractor, individuals who are also hearing instrument specialists, students of audiology, or other health care professionals may furnish the labor for appropriate audiology services under direct physician when these services are billed by physicians or hospital outpatient departments” (CMS, 2015).

Documentation for Audiology Services

1. Documentation for orders (reasons for tests).
“The reason for the test should be documented either on the order, on the audiological evaluation report, or in the patient's medical record. (See subsection C of this section concerning reasons for tests.)
2. Documenting skilled services.
When the medical record is subject to medical review, it is necessary that the record contains sufficient information so that the contractor may determine that the service qualifies for payment. For example, documentation should indicate that the test was ordered, that the reason for the test results in coverage, and that the test was furnished to the patient by a qualified individual.

Records that support the appropriate provision of an audiological diagnostic test shall be made available to the contractor on request” (CMS, 2015).

Audiological Treatment

“There is no provision in the law for Medicare to pay audiologists for therapeutic services.

For example, vestibular treatment, auditory rehabilitation treatment, auditory processing treatment, and canalith repositioning, while they are generally within the scope of practice of audiologists, are not those hearing and balance assessment services that are defined as audiology services in 1861(II)(3) of the Social Security Act and, therefore, shall not be billed by audiologists to Medicare. Services for the purpose of hearing aid evaluation and fitting are not covered regardless of how they are billed.

Services identified as “always” therapy in Pub. 100-04, chapter 5, section 20 may not be billed by hospitals, physicians, NPPs, or audiologists when provided by audiologists. (See also Pub. 100-04, chapter 12, section 30.3.) Treatment related to hearing may be covered under the speech-language pathology benefit when the services are provided by speech-language pathologists. Treatment related to balance (e.g., services described