COMPLIANCE TIP

TO: Compliance Alert Distribution List

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SUBJECT: Hospital Discharge Day Management Codes 99238 and 99239

DATE: August 30, 2018

When billing procedure codes 99238 or 99239 (hospital discharge day management), medical record documentation by the discharging physician or nonphysician practitioner must support a face-to-face encounter occurred with the patient on the discharge date. Discharge summaries alone do not always satisfy this requirement, as frequently they do not include a notation that the billing provider performed a face-to-face encounter with the patient on the date of discharge. Although a discharge day exam is not mandatory for billing codes 99238 or 99239, documenting the performance of a physical exam may be the best way to support that a face-to-face encounter with the patient took place. Alternatively, simply document “Patient seen by me on discharge day.”

Documentation of the unit/floor time spent engaged in discharge activities is required when reporting 99239 (i.e., discharge time >30 minutes). Time spent off the unit/floor may not be included. Time is another component not typically included in a discharge summary. Upon post-payment payer review, a claim involving 99239 without documented time in the patient’s medical record might result in either a service reduction to the lower level of care (99238) or a full refund. Physicians and nonphysician practitioners can document all necessary details in the formal discharge summary or a progress note.

Because hospital discharge day management is time-based, it is not subject to Medicare’s shared billing rules (i.e., shared billing between a physician and a nonphysician practitioner). In order to bill the service as a physician service and obtain full reimbursement, the physician must perform and document all required
components of the service and the time incurred in performing these activities must be physician time.

Lastly, when residents are involved in hospital discharges, the Teaching Physician must document that he or she personally performed a face-to-face encounter with the patient on the discharge day. Base the discharge code selection on the time the Teaching Physician was engaged in discharge day management activities, not the resident.

cc: Leon J. Haley, Jr., M.D., MHSA
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