

Updates & Events

CODING CORNER:

To better assist our practitioner/provider offices, Molina Healthcare now offers valuable updates and billing and coding tips to our Provider Office Managers. Please contact your Provider Service Representative toll free at (800) 377-9594 with questions and/or suggestions.

Appropriate Coding: Consultation vs. Referral

Providers need to know when it is appropriate to bill for consultation services. A referral is different from a consultation. A consultation occurs:

...when a physician requests the opinion or advice of another physician on the evaluation and/or management of a specific patient. During a consultative visit, a physician:

- *Must offer an opinion or advice to the requesting physician;*
- *Must make a decision for treatment option(s); and*
- *May perform and/or order distinctive diagnostic or therapeutic procedures.*

To be reimbursed, the consultant must document that advice or opinion, as well as any services that were performed or ordered. The consultant must also send a written report detailing that opinion and any diagnostic or therapeutic services that were performed to the requesting physician.¹

Centers for Medicare and Medicaid distinctions between a consultation versus a referral:²

Consultation	Referral
■ Suspected problem or known problem	■ Known problem
■ Undetermined course of treatment	■ Prescribed and known course of treatment
■ Only opinion or advice sought	■ Transfer of partial or total patient care for the specific problem
■ Written request for opinion or advice received from attending physician, including the specific reason the consultation is required	■ Patient appointment made for the purpose of providing treatment, diagnostic, and/or therapeutic services
■ Written opinion returned to attending physician (if telephone call made, there must be documentation of the call by both physicians in the patient record)	■ No further communication required (or limited contact) with referring physician
■ Primary (attending) physician will decide who will manage patient care	■ Physician is managing the known problem from the beginning
■ Patient advised to follow up with attending physician	■ Patient advised to return for appointment; testing, treatment or continuation of treatment
■ Final diagnosis is probably unknown	■ Final diagnosis is typically known at time of referral
■ Consulting physician must submit a written report to the original physician	■ No written letter or report required
■ Recommended documentation: Please examine patient and provide me with your opinion on his/her condition	■ Recommended documentation: Patient is referred to your office for evaluation and treatment of his/her condition

Providers should become familiar with consultation guidelines. Inappropriate billing of consultations could trigger private payer and/or government audits, resulting in retrospective denial of claims- or worse, allegations of fraud against the provider.

¹ McKenzie, C. & Baker, B. (2006, March). Medicare Changes Its Rules on Consult Requirements. *ACP Observer*, p. 5.

² Grider, D. (2002). *Medical Record Chart Analyzer: Documentation Rules and Rationales with Exercises*. Chicago: AMA Press, p.