Disclaimer

This course was current when it was published. Every reasonable effort has been made to assure the accuracy of the information within these pages. The ultimate responsibility lies with readers to ensure they are using the codes, and following applicable guidelines, correctly. AAPC employees, agents, and staff make no representation, warranty, or guarantee that this compilation of information is error-free, and will bear no responsibility or liability for the results or consequences of the use of this course. This guide is a general summary that explains guidelines and principles in profitable, efficient healthcare organizations.

US Government Rights

This product includes CPT®, which is commercial technical data and/or computer data bases and/or commercial computer software and/or commercial computer software documentation, as applicable, which was developed exclusively at private expense by the American Medical Association, 515 North State Street, Chicago, Illinois, 60610. U.S. Government rights to use, modify, reproduce, release, perform, display, or disclose these technical data and/or computer data bases and/or computer software and/or computer software documentation are subject to the limited rights restrictions of DFARS 252.227-7015(b)(2) (November 1995), as applicable, for U.S. Department of Defense procurements and the limited rights restrictions of FAR 52.227-14 (June 1987) and/or subject to the restricted rights provision of FAR 52.227-14 (June 1987) and FAR 52.227-19 (June 1987), as applicable, and any applicable agency FAR Supplements, for non-Department of Defense Federal procurements.

AMA Disclaimer

CPT® copyright 2018 American Medical Association. All rights reserved.

Fee schedules, relative value units, conversion factors and/or related components are not assigned by the AMA, are not part of CPT®, and the AMA is not recommendation their use. The AMA does not directly or indirectly practice medicine or dispense medical services. The AMA assumes no liability for data contained or not contained herein.

CPT® is a registered trademark of the American Medical Association.

Regarding HCPCS Level II

HCPCS Level II codes and guidelines discussed in this book are current as of press time.

Clinical Examples Used in this Book

AAPC believes it is important in training and testing to reflect as accurate a coding setting as possible to students and examinees. All examples and case studies used in our study guides, exams, and workbooks are actual, redacted office visit and procedure notes donated by AAPC members. To preserve the real world quality of these notes for educational purposes, we have not re-written or edited the notes to the stringent grammatical or stylistic standards found in the text of our products. Some minor changes have been made for clarity or to correct spelling errors originally in the notes, but essentially they are as one would find them in a coding setting.
Contributors:
Katherine Abel, CPC, CPB, CPMA, CPPM, CPC-I, CMRS
Paula Allard, CPC, CDEO
Quitrina Carter, CPC, CPC-I, CEMC
Berrie Corley, CPC, CPC-I
Lori Cox, MBA, CPC, CPMA, CPC-I, CEMC
Brad Ericson, MPC, CPC, COSC
Cindy Hagle, CPC, CPMA
Ellen Hinkle, CPC, CPMA, CRC, CPC-I, CEMC, CFPC, CIMC
Carol Hoppe, CPC, CPC-I, CCS-P
Ngina Lynch, CPC, CPC-I
Rachelle Marting, JD, MHSA, CPC, CPMA, CEMC, CPC-I, RHIA
Danielle Price, CPC, CPC-I, RHIT
Gerald Robinson, CPC, CPC-I
Jacqueline J Stack, BSHA, CPC, CPC-I, CPB, CEMC, CFPC, CIMC, CPEDC
Peggy Stilley, CPC, CPB, CPMA, CPC-I, COBGC
Toni Toone, CPC, CPMA, CRC, CPC-I
Kathy Ware, RN, CPC, CPB, CPC-I, RHIA, CCS
Essie White, CPC, COC, CPMA, CGSC, CPC-I
Renee Whiting, CPC, CPC-I
Wendy Willes
Kathryn L Williams, CPC, CPMA, CRC
Mary Wood, CPC, CPC-I

Production:
Brad Ericson, MPC, CPC, COSC
Contents

Introduction ........................................................................................................................................... 1

Chapter 1
The Business of Medicine ..................................................................................................................... 3
  Coding as a Profession ......................................................................................................................... 3
  The Hierarchy of Providers ............................................................................................................... 3
  The Different Types of Payers .......................................................................................................... 3
  Understanding RBRVS ..................................................................................................................... 4
  Medical Necessity ............................................................................................................................ 4
  The Need for Privacy and Security .................................................................................................. 5
  Fraud and Abuse ............................................................................................................................... 6
  Need for Compliance Rules and Audits ........................................................................................... 6
  The OIG Work Plan .......................................................................................................................... 7
  What AAPC Will Do for You ............................................................................................................. 7

Chapter 2
Medical Terminology and Anatomy Review ....................................................................................... 13
  Introduction ..................................................................................................................................... 13
  Medical Terminology ....................................................................................................................... 13
  Integumentary System ...................................................................................................................... 16
  Musculoskeletal System ................................................................................................................... 18
  Cardiovascular System .................................................................................................................... 20
  Lymphatic System ........................................................................................................................... 24
  Respiratory System (Pulmonary System) ......................................................................................... 26
  Digestive System .............................................................................................................................. 27
  Urinary System ................................................................................................................................. 28
  Reproductive Systems ...................................................................................................................... 28
  Nervous System ............................................................................................................................... 28
  Endocrine System ............................................................................................................................ 30
  Hematologic (Hemic) System .......................................................................................................... 30
  Immune System ............................................................................................................................... 31
## Chapter 3
### Introduction to ICD-10-CM
- Introduction ............................................................................................. 35
- Overview of ICD-10-CM Layout .................................................................. 35
- Steps to Look Up a Diagnosis Code ................................................................. 39
- ICD-10-CM Official Guidelinesfor Coding and Reporting ................................. 39
- Diagnosis Coding Guidelines for Outpatient Reporting ..................................... 63
- Glossary ........................................................................................................ 65

## Chapter 4
### Introduction to CPT®, Surgery Guidelines, HCPCS Level II, and Modifiers
- Introduction to CPT® ..................................................................................... 69
- National Correct Coding Initiative (NCCI) ....................................................... 72
- Sequencing CPT® Codes .................................................................................. 73
- CPT® Assistant ............................................................................................... 74
- CPT® Category II Codes - Performance Measurement ........................................ 74
- CPT® Category III Codes ................................................................................. 74
- CPT® Appendices ........................................................................................... 75
- Surgery Guidelines ......................................................................................... 76
- HCPCS Level II .............................................................................................. 77
- HCPCS Level II Modifiers ................................................................................. 79
- Modifiers ....................................................................................................... 79
- Glossary ........................................................................................................ 86

## Chapter 5
### Integumentary System
- Introduction ............................................................................................. 89
- Anatomy and Medical Terminology ................................................................. 90
- ICD-10-CM Coding ...................................................................................... 90
- CPT® Coding ............................................................................................... 94
- Glossary ....................................................................................................... 100

## Chapter 6
### Musculoskeletal System
- Introduction ............................................................................................. 105
- Anatomy and Medical Terminology ................................................................. 105
- ICD-10-CM Coding ...................................................................................... 110
- CPT® Coding ............................................................................................... 112
- HCPCS Level II .......................................................................................... 115
- Modifiers .................................................................................................. 115
## Chapter 7
**Respiratory, Hemic, & Lymphatic Systems; Mediastinum, and Diaphragm**

- Introduction ................................................................. 119
- Anatomy and Medical Terminology ................................. 119
- ICD-10-CM Coding .......................................................... 120
- CPT® Coding .................................................................. 122
- HCPCS Level II ............................................................... 127
- Modifiers ........................................................................ 127
- Glossary .......................................................................... 128

## Chapter 8
**Cardiovascular System**

- Introduction .................................................................... 133
- Anatomy and Medical Terminology ................................. 133
- ICD-10-CM Coding .......................................................... 135
- CPT® Coding .................................................................. 138
- Modifiers ........................................................................ 146
- HCPCS Level II ............................................................... 147
- Glossary .......................................................................... 147

## Chapter 9
**Digestive System**

- Introduction .................................................................... 153
- Anatomy and Medical Terminology ................................. 153
- ICD-10-CM Coding .......................................................... 154
- CPT® Coding .................................................................. 156
- HCPCS Level II Coding .................................................... 159
- Modifiers ........................................................................ 159
- Glossary .......................................................................... 160

## Chapter 10
**Urinary System and Male Genital System**

- Introduction .................................................................... 165
- Anatomy and Medical Terminology ................................. 165
- ICD-10-CM Coding .......................................................... 167
- CPT® Coding .................................................................. 170
- HCPCS Level II ............................................................... 174
- Modifiers ........................................................................ 174
- Glossary .......................................................................... 175
Chapter 11
Female Reproductive System ................................................................. 183
  Introduction ....................................................................................... 183
  Anatomy and Medical Terminology .................................................. 183
  ICD-10-CM Coding .......................................................................... 184
  CPT® Coding ................................................................................... 185
  HCPCS Level II Coding ..................................................................... 188
  Modifiers .......................................................................................... 188
  Glossary ............................................................................................ 188

Chapter 12
Endocrine and Nervous System ............................................................ 195
  Introduction ....................................................................................... 195
  Anatomy and Medical Terminology .................................................. 195
  ICD-10-CM Coding .......................................................................... 198
  CPT® Coding ................................................................................... 200
  HCPCS Level II ................................................................................ 207
  Modifiers .......................................................................................... 207
  Glossary ............................................................................................ 209

Chapter 13
Eye and Ocular Adnexa, Auditory Systems ............................................. 213
  Eye: Introduction and Anatomy ........................................................ 213
  Ear: Introduction and Anatomy ......................................................... 214
  ICD-10-CM Coding .......................................................................... 215
  CPT® Coding ................................................................................... 217
  Medicine Codes ................................................................................ 218
  HCPCS Level II ................................................................................ 218
  Modifiers .......................................................................................... 218
  Glossary ............................................................................................ 219
Chapter 14
Anesthesia ................................................................. 225

- Introduction ............................................................. 225
- Types of Anesthesia ................................................. 225
- Anesthesia Providers ............................................... 225
- Anesthesia Coding Terminology ............................. 225
- Postoperative Pain Management ............................ 226
- ICD-10-CM Coding ............................................... 227
- CPT® Coding ........................................................... 227
- Anesthesia-Related Teaching Rules ....................... 231
- Glossary ................................................................. 232

Chapter 15
Radiology ................................................................. 237

- Introduction ............................................................. 237
- Anatomy and Medical Terminology ........................ 237
- ICD-10-CM Coding ............................................... 237
- CPT® Coding ........................................................... 238
- Types of Radiological Services ............................... 239
- The Components of a Radiology Service ................ 239
- Diagnostic Ultrasound .......................................... 240
- Radiologic Guidance .............................................. 240
- Breast, Mammography .......................................... 241
- Bone/Joint Studies .................................................. 241
- Radiation Oncology .............................................. 241
- Nuclear Medicine ................................................... 242
- HCPCS Level II Coding .......................................... 242
- Modifiers ............................................................... 242
- Glossary ................................................................. 243

Chapter 16
Pathology and Laboratory ....................................... 249

- Introduction ............................................................. 249
- Anatomy and Medical Terminology ........................ 249
- ICD-10-CM Coding ............................................... 250
- CPT® Coding ........................................................... 251
- HCPCS Level II Coding .......................................... 254
- Modifiers ............................................................... 254
- Glossary ................................................................. 255
Contents

Chapter 17
Evaluation and Management ................................................................. 259
   Introduction and Objectives ................................................................. 259
   E/M Services Defined ........................................................................ 259
   CPT® E/M Services Guidelines ......................................................... 260
   Key Components of an E/M Service .................................................. 260
   E/M Service Categories ..................................................................... 261
   Choosing the E/M Service Level ....................................................... 267
   Diagnosis Coding for E/M Services .................................................. 278
   Glossary ............................................................................................ 279

Chapter 18
Medicine ............................................................................................ 285
   Introduction ....................................................................................... 285
   Anti-infective Immunizations ............................................................ 285
   Vaccines and Toxoids ....................................................................... 285
   Psychiatry ......................................................................................... 286
   Biofeedback ...................................................................................... 286
   Dialysis and End Stage Renal Disease Services ................................. 286
   Gastroenterology .............................................................................. 287
   Ophthalmological Services & Special Otorhinolaryngologic Services. ................................................ 287
   Cardiovascular Services ................................................................... 287
   Noninvasive Vascular Diagnostic Studies ......................................... 287
   Pulmonary Studies ........................................................................... 287
   Allergy and Immunology ................................................................... 287
   Endocrinology & Neurology and Neuromuscular Procedures .......... 288
   Medical Genetics and Genetic Counseling Services .......................... 288
   Central Nervous System Assessments/Tests ..................................... 288
   Hydration, Therapeutic, Prophylactic, Diagnostic Injections/Infusions and Chemotherapy, Highly Complex Drugs, or Highly Complex Biologic Agent Administration ................................................ 288
   Photodynamic Therapy & Special Dermatological Procedures .......... 289
   Physical Medicine and Rehabilitation .............................................. 290
   Education and Training for Patient Self-Management ..................... 291
   Non-Face-to-Face Nonphysician Services .......................................... 291
   Special Services, Procedures, and Reports ...................................... 291
   Qualifying Circumstances for Anesthesia & Moderate (Conscious) Sedation ................................................ 292
   Other Services and Procedures ......................................................... 292
   Home Health Procedures and Services .......................................... 293
   Home Infusion Procedures ............................................................... 294
   Medication Therapy Management Services .................................... 294
   Glossary ............................................................................................ 294
Introduction to CPT®

The Current Procedural Terminology (CPT®) code book is a compilation of guidelines, codes, and descriptions used to report healthcare services. The CPT® code set, or the Healthcare Common Procedure Coding System (HCPCS) Level I, is copyrighted and maintained by the American Medical Association (AMA). In 1983, the Health Care Financing Administration (now the Centers for Medicare & Medicaid Services [CMS]) adopted CPT®, and its own HCPCS Level II, mandating these code sets be used for billing Medicare. In August 2000, the Transactions and Code Sets Final Rule (45 CFR 160.103) named CPT®, HCPCS Level II, and their respective modifiers as standard code sets for national use.

The CPT® code set includes three categories of medical nomenclature and descriptors:

- **Category I CPT® codes** utilize a five-digit numerical code (eg, 12345). The codes are reviewed and updated annually by an AMA panel. It is mandatory to use Category I CPT® codes for reporting and reimbursement. For Medicare, a HCPCS Level II code may be used instead of HCPCS Level I CPT® code if available.

- **Category II CPT® codes** are optional “performance measurement” tracking codes. They are used for the Physician Quality Reporting System (PQRS), an incentive-based program developed by CMS to record evidence-based measures, discussed later in this chapter. The format for Category II codes is alphanumeric, with the letter F in the last position (eg, 0001F).

- **Category III CPT® codes** are temporary codes assigned by the AMA for emerging technology, services, and procedures. Category III codes are alphanumeric, with the letter T in the last position, eg, 0007T. Unlike the Category II CPT® codes, Category III codes can be reported alone without an additional Category I code.

The AMA updates the CPT® code book annually.

The Organization of the CPT® Code book

The CPT® code book is organized by:

- **CPT® sections**- Category I has six sections that include services and surgical procedures separated into subsections.
- **Section Guidelines**
- **Section Table of Contents**
- **Notes**
- **Category II Codes (0001F–9007F)**
- **Category III Codes (0042T–0407T)**
- **Appendices A–P**
- **Alphabetized Index**

The CPT® subsections also include:

- Indicator icons
- Boldfaced type
- Italicized type
- Cross-referenced terms
- Anatomy illustrations
- Procedural reviews that aid with medical terminology and anatomy
- Introduction Guidelines

CPT® guidelines introduce each section/subsection of the CPT® code book. Guidelines apply only for the section/subsection in which they appear.

**EXAMPLE**

A physician examines a patient currently taking Statin therapy for coronary artery disease during an E/M visit. Report 4013F Statin therapy, prescribed or currently being taken (CAD) and the appropriate office visit code (99201–99215).

- Category III CPT® codes are temporary codes assigned by the AMA for emerging technology, services, and procedures. Category III codes are alphanumeric, with the letter T in the last position, eg, 0075T. Unlike the Category II CPT® codes, Category III codes can be reported alone without an additional Category I code.

**TESTING TECHNIQUE**

Review every guideline in your code book. Underline or highlight specific coding information within the guidelines.

**CPT® Conventions and Iconography**

An established set of conventions and symbols is used throughout the CPT® code book, as follows:

- **Semicolon and Indented Procedure**- A CPT® procedure or service code that contains a semicolon is divided
into two parts; the description before and after the semicolon.

a) The words before the semi-colon are considered the common procedure in the code descriptor.

b) The indented descriptor is dependent on the preceding common procedure code descriptor.

c) It is not necessary to report the main code (e.g., 00160) when reporting the indented codes (e.g., 00162 or 00164).

EXAMPLE

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>00160</td>
<td>Anesthesia for procedures on nose and accessory sinuses; not otherwise specified</td>
</tr>
<tr>
<td>00162</td>
<td>radical surgery</td>
</tr>
<tr>
<td>00164</td>
<td>biopsy, soft tissue</td>
</tr>
</tbody>
</table>

The full descriptor for 00162 and 00164 includes the text before the semicolon in 00160. For instance, the full descriptor for 00162 is Anesthesia for procedures on nose and accessory sinuses; radical surgery.

+p Add-on Codes (see CPT® Appendix D)-Some procedures, identified with a “+” symbol, are commonly carried out in addition to a primary procedure. Add-on codes must be used with their specified primary procedure (see parenthetical notes listed below the code descriptor).

EXAMPLE

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>11200</td>
<td>Removal of skin tags, multiple fibrocutaneous tags, any area; up to and including 15 lesions</td>
</tr>
<tr>
<td>+ 11201</td>
<td>each additional ten lesions, or part thereof. (List separately in addition to code for primary procedure) (Use 11201 in conjunction with 11200)</td>
</tr>
</tbody>
</table>

In this example, 11201 is reported with 11200 when more than 15 lesions are removed.

A bullet placed before the code number indicates new procedures and services added to the CPT® code book.

EXAMPLE

00811 Anesthesia for lower intestinal endoscopic procedures, endoscope introduced distal to duodenum; not otherwise specified

▲ A triangle indicates that a code descriptor has been revised.

EXAMPLE

CPT® Numerical Section:

▲ 38220 Diagnostic bone marrow; aspiration(s)

Appendix B:

▲ 38220 Bone Diagnostic bone marrow; aspiration only(s)

▲▲ Opposing horizontal triangles (bowties) indicate new or revised guidelines or instructions.

EXAMPLE

44300 Placement, enterostomy or cecostomy, tube open (e.g., for feeding or decompression) (separate procedure)

▲ Do not report 44300 in conjunction with 44701 for cannulation of the colon for intraoperative colonic lavage)

(For percutaneous placement of duodenostomy, jejunostomy, gastro-jejunostomy or cecostomy [or other colonic] tube including fluoroscopic imaging guidance, see 49441-49442)

⊗ The “forbidden” symbol identifies codes that are modifier 51 exempt (CPT® Appendix E).

EXAMPLE

20974 Electrical stimulation to aid bone healing; noninvasive (nonoperative)

▲♦ A lightning bolt identifies vaccines pending Food and Drug Administration (FDA) approval. If a vaccine is approved by the FDA a revision notation is provided on the AMA CPT® “Category I Vaccine Codes” website: www.ama-assn.org/ama/pub/physician-resources/solutions-managing-your-practice/coding-billing-insurance/cpt/about-cpt/category-i-vaccine-codes.page (see Appendix K for Products Pending FDA Approval).
Muscles—Anterior
