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AOPA In Advance SmartBrief *Breaking News* February 26, 2019

AOPA Headlines:

Policy Forum Registration is Now Open for May 7-8! Revision to the LSO/TLSO Policy Article New Legislative Focus in 2019 Thank you to our 2019 Supplier Plus Members Join the Coding & Billing Experts in Indianapolis Jurisdiction A Releases Quarterly TPE Results Jurisdiction D Releases Quarterly TPE Results Performant Announces New RAC Audit CMS Releases the 2019 Medicare DMEPOS Fee Schedule Updated Requirements for the RT and LT Modifiers HCPCS Code Changes for 2019 Upcoming Events

Policy Forum Registration is Now Open for May 7-8!

Join us May 7-8 in Washington, DC for the 2019 Policy Forum. Now is the time to make your voice heard! <u>Registration is now OPEN</u>!

The Policy Forum is your best opportunity to learn the latest legislative and regulatory details and how they will affect you, your business and your patients. Once you are armed with the facts, we as a profession will educate our members of Congress to offer common sense solutions and share how the O&P profession restores lives and puts people back to work. Not familiar



or intimidated by Washington D.C.? Take our new Lobbying 101 course that will provide you with simple and effective measures to familiarize you with laws, procedures, and how-to get your point of view across.

May 7-8, 2019 Washington, DC

Host Hotel: Ritz Carlton, Pentagon City Arlington, VA

Book your room online. Visit our website for more information on the Policy Forum.

Revision to the LSO/TLSO Policy Article

The Durable Medical Equipment Medicare Administrative Contractors (DME MAC) Noridian and CGS recently announced a revision to the LSO/TLSO Policy Article with an effective date of January 1, 2019. The revision provides guidance on the proper coding of prefabricated items which don't require substantial modification or minimal self-adjustment.

The revision indicates that when a HCPCS code descriptor does not define a brace as either offthe-shelf (OTS) or custom fitted, it only states prefabricated, the code should be used whether the device requires custom fitting or is delivered OTS. Here is the full passage from the Policy Article:

"In most cases for prefabricated orthoses, the correct coding of the orthosis is dictated by actions that take place at the time of fitting to the beneficiary, either custom-fit (requiring expertise) or off-the-shelf (OTS) (requiring minimal beneficiary self-adjustment). However, for certain types of orthoses, the HCPCS code narrative that best describes the product does not make a distinction between prefabricated orthoses that are provided as custom-fit or OTS. These code narratives are correct and must be used for Medicare billing, without regard to how the product is provided to the beneficiary at the final delivery."

Previous interpretations by CMS indicated that if the LSO/TLSO HCPCS code only stated prefabricated, it was to be considered custom fitted by default. This interpretation was later reversed and is now clearly stated in the Policy Article.

Questions? Contact Joe McTernan at <u>jmcternan@AOPAnet.org</u> or Devon Bernard at <u>dbernard@AOPAnet.org</u>.

New Legislative Focus in 2019

AOPA met with its lobbying team on January 31, to discuss its legislative strategy for the 116th Congress. The strategy session included members of AOPA's staff leadership and consultants from firms, McGuire Woods, Lincoln Policy Group, Linchpin Strategies, and Powers Law Firm. AOPA is working to shift the focus of its legislative initiatives from one that has historically been systems-focused, to one that brings the patient to the center of the conversation. Several of the same priorities found in the Medicare O&P Improvements Act will be included in new legislation, which will be focused on protection for patients and patients' access to quality orthotic and prosthetic care.

Thank you to our 2019 Supplier Plus Members



Join the Coding & Billing Experts in Indianapolis

When: June 3-4, 2019 Location: The Indianapolis Marriott Downtown 350 West Maryland Street Indianapolis, Indiana 46225

AOPA experts provide the most up-to-date information to help O&P Practitioners and office billing staff learn how to code complex devices, including repairs and adjustments, through interactive discussions with AOPA experts, your colleagues, and much more. Meant for both practitioners and office staff, this advanced two-day event will feature breakout sessions for these two groups, to ensure concentration on material appropriate to each group.

At this seminar you will:

- Receive up-to-date information on Prior Authorization and other Hot Topics
- Ensure your Proof of Delivery meets Medicare Requirements
- Learn how to assess risk areas in your practice
- Learn successful appeal strategies and hints to avoid claim denials
- Practice coding complex devices, including repairs and adjustment
- Attend break-out sessions for practitioners and office staff
- Earn 14 CEs





Questions regarding the seminar may be directed to Joe McTernan at (571) 431-0811 or Devon Bernard at (571) 431-0854.

Jurisdiction A Releases Quarterly TPE Results

Noridian, the Durable Medical Equipment Administrative Contractor (DME MAC) for Jurisdiction A, recently published the quarterly results of their Target, Probe & Educate (TPE) audits. The audits are based on claims audited/reviewed during July 2018-September 2018 and the results are as follows:

- Ankle Foot Orthoses/Knee Ankle Foot Orthoses (L1970, L4360, and L4361) had an overall claim potential improper payment rate of **39%.**
- Knee Orthoses (L1832, L1833, L1843 and L1851) had an overall claim potential improper payment rate of **79%**.
- Spinal Orthoses (L0648 and L0650) had an overall claim potential improper payment rate of **25%**.
- Diabetic Shoes (A5500) had an overall claim potential improper payment rate of 4%

A list (not all inclusive) of the common denial reasons for the TPE results are as follows:

- Documentation does not support basic coverage criteria.
- Documentation was not received in response to the Additional Documentation Request (ADR) letter.
- Claim is the same or similar to another claim on file.
- Documentation does not include verification that the equipment was lost, stolen or irreparably damaged in a specific incident.
- Documentation does not support the need of a custom fitted item
- Improper ABN was issued

View the complete results and a full list of denial reasons here.

Questions? Contact Joe McTernan at <u>jmcternan@AOPAnet.org</u> or Devon Bernard at <u>dbernard@AOPAnet.org</u>.

Jurisdiction D Releases Quarterly TPE Results

Noridian, the Durable Medical Equipment Administrative Contractor (DME MAC) for Jurisdiction D, recently published the quarterly results of their Target, Probe & Educate (TPE) audits. The audits are based on claims audited/reviewed during July 2018-September 2018 and the results are as follows:

- Ankle Foot Orthoses/Knee Ankle Foot Orthoses (L4360, L4361, L4386 and L4387) had an overall claim potential improper payment rate of **34%**. **This is the same** overall claim potential improper payment rate as the last quarter's results.
- Knee Orthoses (L1810, L1812, L1830, L1832, L1833, L1843, L1845 and L1852) had an overall claim potential improper payment rate of **61%**. This is an increase from last **quarter's overall** claim potential improper payment rate of 57%.
- Spinal Orthoses (L0625, L0626, L0627, L0630, L0631, L0637, L0641, L0642, L0643, L0648 and L0650) had an overall claim potential improper payment rate of **51%**. **This is the same** overall claim potential improper payment rate as the last quarter's results.
- Diabetic Shoes (A5500) had an overall claim potential improper payment rate of **36%**

The top and common denial reasons for all TPE results (in no order) are as follows:

- Documentation does not support basic coverage criteria.
- Documentation was not received in response to the Additional Documentation Request (ADR) letter.
- Claim is the same or similar to another claim on file.
- Documentation does not include verification that the equipment was lost, stolen or irreparably damaged in a specific incident.

View the complete results and a full list of denial reasons here.

Performant Announces New RAC Audit

Performant Recovery, the national Home Health, Hospice, and DMEPOS RAC contractor (Region 5), has announced that it will be initiating a post-payment automated review based on reasonable useful lifetimes (RUL) for select spinal orthoses. The spinal orthoses included in the audit are described by HCPCS codes L0627, L0631, L0637, L0642, L0648 and L0650. Performant Recovery added the review to its list of approved issues on January 1, 2019.

The RAC audit for RUL and spinal orthoses (L0627, L0631, L0637, L0642, L0648 andL0650) is the fourth 0&P specific approved issue since the award of the new RAC contract to Performant Recovery. The RAC announcement on the automated review of select spinal orthoses may be found by <u>clicking here</u> and searching for issue 0128.

CMS Releases the 2019 Medicare DMEPOS Fee Schedule

The Centers for Medicare and Medicaid Services (CMS) has released the 2019 Medicare DMEPOS fee schedule which will be effective for Medicare claims with a date of service on or after January 1, 2019. The 2018 Medicare fee schedule for orthotic and prosthetic services will be increased by 2.3% over 2018 rates. The 2.3% increase is a net reflection of the 2.9% increase in the Consumer Pricing Index for Urban Areas (CPI-U) from June 2017 through June 2018, combined with the annual Multi-Factor Productivity Adjustment (MFP) of -0.6%.

The 2.3% increase in the O&P Medicare fee schedule for 2019 represents a 1.2% larger amount than the 2018 increase of 1.1%. Unfortunately, the 2% sequestration-based reduction to all Medicare payments remains in effect meaning that Medicare fee for service payments will continue to be reduced by 2% due to sequestration. While sequestration continues to impact Medicare reimbursement, it is not cumulative. You will still receive 2.3% more for a service you provide in 2019 then you did in 2018 since the 2% sequestration reduction would be applied to both claims.

Click here to view and download the complete 2019 Medicare DMEPOS fee schedule.

Updated Requirements for the RT and LT Modifiers

The Durable Medical Equipment Medicare Administrative Contractors (DME MACs) recently released a correct coding notification for the proper usage of the RT and LT modifiers; when billing for bi-lateral items/services on the same date of service.

Current rules for billing bilaterally direct you to use the RTLT modifier on the same claim line with two units of service.

However, **for claims with dates of service on or after March 1, 2019** you must bill each item on two separate claim lines using the RT and LT modifiers, and one unit of service on each claim line. Bi-lateral claims with a date of service on or after March 1, 2019 billed with the RTLT on a single claim line, will be rejected as incorrect coding.

HCPCS Code Changes for 2019

The Centers for Medicare and Medicaid Services (CMS) has released the new Healthcare Common Procedure Coding System (HCPCS) codes for 2019, and there were a few minor changes. Below is a complete breakdown of the code changes which will be effective for claims with a date of service on or after January 1, 2019.

New Codes

Code	Descriptor
A5514	For diabetics only, multiple density inserts, made by direct carving with
	cam technology from a rectified cad model created from a digitized scan
	of the patient, total contact with patient's foot, including arch, base layer
	minimum of 3/16 inch material of shore a 35 durometer (or higher),
	includes arch filler and other shaping material, custom fabricated, each
L8701	Powered upper extremity range of motion assist device, elbow, wrist,
	hand with single or double upright(s), includes microprocessor, sensors,
	all components and accessories, custom fabricated
L8702	Powered upper extremity range of motion assist device, elbow, wrist,
	hand, finger, single or double upright(s), includes microprocessor,
	sensors, all components and accessories, custom fabricated

Changes in Code Descriptors

Code	New Descriptor	Old Descriptor
A5513	For diabetics only, multiple density	For diabetics only, multiple density
	inserts, custom molded from	inserts, custom molded from model
	model of patient's foot, total	of patient's foot, total contact with
	contact with patient's foot,	patient's foot, including arch, base
	including arch, base layer	layer minimum of 3/16 inch
	minimum of 3/16 inch material of	material of shore a 35 durometer or
	shore a 35 durometer (or higher),	higher, includes arch filler and other
	includes arch filler and other	shaping material, custom fabricated,
	shaping material, custom	each
	fabricated, each	

The change in the descriptor is a minor grammatical change, and not an actual change in the code verbiage. The new descriptor places parenthesis around the phrase or higher. The change makes the descriptor in line with the verbiage of the A5512 and the new A5514.

Deleted Codes

Code	Descriptor
K0903	For diabetics only, multiple density inserts, made by direct carving with
	cam technology from a rectified cad model created from a digitized scan
	of the patient, total contact with patient's foot, including arch, base layer
	minimum of 3/16 inch material of shore a 35 durometer (or higher),
	includes arch filler and other shaping material, custom fabricated, each

The temporary K code, K0903, which has been active since April 1, 2018 has been deleted and will be cross walked to the newly created A5514 code.

AOPA's Coding and Reimbursement Committee will review the list of changes and provide appropriate comments to CMS.

Upcoming AOPA Events			
March 13, 2019	<i>Advanced Beneficiary Notice: Get to Know the ABN Form</i> AOPA Webinar <u>Learn more and register here</u>		
March 25, 2019	Call for Papers Deadline AOPA National Assembly Learn more submit here		
April 10, 2019	Shoes, External Breast Prostheses, Surgical Dressings and Other Policies AOPA Webinar Learn more and register here		