



American Orthotic & Prosthetic Association

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**AOPA In Advance SmartBrief**  
***Breaking News***  
**January 8, 2019**

**AOPA Headlines:**

[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](#)

[NAAOP Announces 2019 Fellowship on Public Policy and Advocacy](#)

[Enjoy this Special Offer through AOPAversity](#)

[PDAC Contract to Transition to Palmetto GBA Effective January 15, 2019](#)

[2019 Medicare Part A & B Deductibles Premiums, & Coinsurance Amounts Released](#)

[HCPCS Code Changes for 2019](#)

[Upcoming Events](#)

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| <b>Jurisdiction A Releases Quarterly TPE Results</b> |
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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 [jmcternan@AOPAnet.org](mailto:jmcternan@AOPAnet.org) or Devon Bernard at [dbernard@AOPAnet.org](mailto:dbernard@AOPAnet.org).

### 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 and L0650) is the fourth O&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 [clicking here](#) 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 than 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.](#)

As always, AOPA maintains the most current Medicare fee schedule information and will be happy to provide it to AOPA members.

Questions regarding the 2019 Medicare fee schedule may be directed to Joe McTernan at [jmcternan@AOPAnet.org](mailto:jmcternan@AOPAnet.org) or Devon Bernard at [dbernard@AOPAnet.org](mailto:dbernard@AOPAnet.org).

### 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 RTLTLT 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 RTLTLT on a single claim line, will be rejected as incorrect coding.

### NAAOP Announces 2019 Fellowship on Public Policy and Advocacy

*ATTENTION ALL O&P CONSUMERS:* The National Association for the Advancement of Orthotics and Prosthetics (NAAOP) is [soliciting applications for its annual health policy/advocacy fellowship](#). NAAOP is a national nonprofit association advocating for consumers/patients requiring orthotic and prosthetic care, as well as the providers who serve them. The NAAOP

Fellowship is a paid, 10-week summer program based in Washington, D.C. The fellow will learn about orthotic and prosthetic (O&P) policy, advocacy, and how NAAOP and other O&P organizations function on behalf of the O&P community and within the broader rehabilitation and disability policy and advocacy environment at the federal and state level. The fellowship also includes exposure to O&P clinical and business settings, and state-based public policy and advocacy, at no cost to the fellow.

Two fellows will be selected for the summer of 2019 through a competitive process using the application on the [www.naaop.org](http://www.naaop.org) website. The deadline to electronically submit this application is January 31, 2019 by 12:00 Midnight, Eastern Time. Finalists will be interviewed via videoconference and two will be selected, assuming high quality candidates are identified. If the finalists selected cannot accept the fellowship for any reason, the next highest ranked fellow will be offered the position.

**Application Deadline:** 12:00 Midnight, Eastern Time, Thursday, January 31, 2019

- Applications must be submitted electronically to [Fellowship@naaop.org](mailto:Fellowship@naaop.org).

**Fellowship Selection Announcement:** March 6, 2019

**Fellowship Term:** 10-weeks (May 27<sup>th</sup> to August 2, 2019).

[Download 2019 NAAOP Fellowship Application](#)

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This promotion will last through January 31, 2019.

**PDAC Contract to Transition to Palmetto GBA Effective January 15, 2019**

The Centers for Medicare and Medicaid Services (CMS) has awarded the Pricing, Data Analysis, and Coding (PDAC) contract to Palmetto GBA with a transition date of January 15, 2019. Palmetto GBA will replace Noridian Healthcare Solutions who has held the PDAC contract since August 2008.

Palmetto GBA currently holds the contracts to serve as the National Supplier Clearinghouse and the Competitive Bidding Implementation Contractor. In addition, Palmetto GBA served as the contractor for the SADMERC, which was renamed the PDAC when the contract was awarded to Noridian in 2008.

Doran Edwards, MD will serve as the PDAC medical director under the new contract. Dr. Edwards is currently an associate medical director for CGS which serves as the Jurisdiction B and Jurisdiction C DME MAC.

The announcement regarding the transition of PDAC duties from Noridian to Palmetto GBA may be viewed on the Palmetto GBA website by [clicking here](#).

There has been no announcement to date regarding new procedures to submit code verification requests, but it is expected that an announcement will be made prior to the January 15, 2019 transition date.

### **2019 Medicare Part A & B Deductibles Premiums, & Coinsurance Amounts Released**

The Centers for Medicare and Medicaid Services (CMS) has recently announced the Medicare premium and deductible rates for 2019. The monthly Medicare Part B premium will begin at \$135.50. This is slightly higher than the 2018 amount of \$134. The Medicare Part B deductible for 2019 has increased by \$2 and will be set at \$185.00; the Medicare Part B coinsurance remains at 20 percent of the Medicare allowed charge.

The Medicare Part A deductible for 2019 is set at \$1,364 and the daily co-insurance amount for days 61-90 is \$341 and the lifetime reserve day's rate is set at \$682. Lastly, the SNF Part A extended care days co-insurance (day 21-100) will be \$170.50 for 2019.

### **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**

| <b>Code</b> | <b>Descriptor</b>   |
|-------------|---|
| 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 inserts, custom molded from model of patient's foot, 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 | For diabetics only, multiple density inserts, custom molded from model of patient's foot, 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 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

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|-------------------|---|
| January 8, 2019   | <i>Understanding the Knee Orthoses Policy</i><br>AOPA Webinar<br><a href="#">Learn more and register here</a>                 |
| February 13, 2019 | <i>Patient Outcomes: Best Practices &amp; How to Use Them</i><br>AOPA Webinar<br><a href="#">Learn more and register here</a> |
| March 25, 2019    | <i>Call for Papers Deadline</i><br>AOPA National Assembly<br><a href="#">Learn more submit here</a>                           |