

Contents

Introduction	i	231 – Pulmonary Rehabilitation (PR) Program Services Furnished On or After January 1, 2010	75
Use of Book	i	232 – Cardiac Rehabilitation (CR) and Intensive Cardiac Rehabilitation (ICR) Services Furnished On or After January 1, 2010	75
Content	i	240 – Chiropractic Services—General	76
Pub. 100-02 – Medicare Benefit Policy Manual	i	250 – Medical and Other Health Services Furnished to Inpatients of Hospitals and Skilled Nursing Facilities	79
Pub. 100-03 – Medicare National Coverage Determination (NCDs) Manual.....	i	260 – Ambulatory Surgical Center Services.....	80
Pub. 100-04 – Medicare Claims Processing (MCP) Manual	ii	❖ 270 – Telehealth Services	83
Pub. 100-05 – Medicare Secondary Payer (MSP) Manual	ii	❖ 280 – Preventive and Screening Services	87
Pub. 100-08 – Medicare Program Integrity Manual (PIM)	ii	290 – Foot Care	92
Pub. 100-02 Medicare Benefit Policy Manual	1	❖ 300 – Diabetes Self-Management Training Services	94
Chapter 15 – Covered Medical and Other Health Services	1	310 – Kidney Disease Patient Education Services.....	96
10 – Supplementary Medical Insurance (SMI) Provisions.....	1	Pub. 100-03 Medicare National Coverage Determinations Manual	99
20 – When Part B Expenses Are Incurred.....	1	Chapter 1, Parts 1-4	99
❖ 30 – Physician Services	2	10 – Anesthesia and Pain Management	99
❖ 40 – Effect of Beneficiary Agreements Not to Use Medicare Coverage ..	6	❖ 20 – Cardiovascular System	101
50 – Drugs and Biologicals	16	❖ 30 – Complementary and Alternative Medicine	124
60 – Services and Supplies Furnished Incident To a Physician’s/NPP’s Professional Service.....	26	40 – Endocrine System and Metabolism	126
❖ 70 – Sleep Disorder Clinics	30	❖ 50 – Ear, Nose and Throat (ENT)	127
❖ 80 – Requirements for Diagnostic X-Ray, Diagnostic Laboratory, and Other Diagnostic Tests	30	60 – Emergency Medicine	156
90 – X-Ray, Radium, and Radioactive Isotope Therapy	39	70 – Evaluation and Management of Patients—Office/hospital/home	163
100 – Surgical Dressings, Splints, Casts, and Other Devices Used for Reductions of Fractures and Dislocations	39	70.1 – Consultations with a Beneficiary’s Family and Associates ..	163
❖ 110 – Durable Medical Equipment—General	39	❖ 80 – Eye	131
120 – Prosthetic Devices	43	90 – Genetics	134
130 – Leg, Arm, Back, and Neck Braces, Trusses, and Artificial Legs, Arms, and Eyes.....	45	❖ 100 – Gastrointestinal System	135
140 – Therapeutic Shoes for Individuals with Diabetes.....	45	110 – Hematology/Immunology/Oncology	138
150 – Dental Services.....	46	120 – Infectious Diseases	147
160 – Clinical Psychologist Services	47	130 – Mental Health	148
170 – Clinical Social Worker (CSW) Services	47	140 – Miscellaneous Surgical Procedures	150
180 – Nurse-Midwife (CNM) Services	48	❖ 150 – Musculoskeletal System	152
190 – Physician Assistant (PA) Services	49	❖ 160 – Nervous System	156
200 – Nurse Practitioner (NP) Services	49	170 – Nonphysician Practitioner Services PT/OT/SLP/Audiologists/CRNA	163
210 – Clinical Nurse Specialist (CNS) Services.....	50	180 – Nutrition	164
❖ 220 – Coverage of Outpatient Rehabilitation Therapy Services (Physical Therapy, Occupational Therapy, and Speech-Language Pathology Services) Under Medical Insurance.....	51	❖ 190 – Pathology and Laboratory	165
230 – Practice of Physical Therapy, Occupational Therapy, and Speech-Language Pathology	67	200 – Pharmacology	179
		❖ 210 – Prevention	180

Contents

❖ 220 – Radiology	188
230 – Renal and Genitourinary System—ESRD Services	201
❖ 240 – Respiratory System	205
❖ 250 – Skin	212
❖ 260 – Transplantation—Solid Organ Transplants	213
❖ 270 – Wound Treatment	217
280 – Medical and Surgical Supplies	219
290 – Nursing Services	228
300 – Diagnostic Tests Not Otherwise Classified	229
310 – Clinical Trials	230
Pub. 100-04 Medicare Claims Processing Manual	233
Chapter 12 – Physicians/Nonphysician Practitioners	233
10 – General	233
❖ 20 – Medicare Physicians Fee Schedule (MPFS)	233
❖ 30 – Correct Coding Policy	237
❖ 40 – Surgeons and Global Surgery	262
❖ 50 – Payment for Anesthesiology Services	272
❖ 60 – Payment for Pathology Services	275
❖ 70 – Payment Conditions for Radiology Services	276
❖ 80 – Services of Physicians Furnished in Providers or to Patients of Providers	276
❖ 90 – Physicians Practicing in Special Settings	278
❖ 100 – Teaching Physician Services	285
110 – Physician Assistant (PA) Services Payment Methodology ..	290
120 – Nurse Practitioner (NP) and Clinical Nurse Specialist (CNS) Services Payment Methodology	291
❖ 130 – Nurse–Midwife Services	291
❖ 140 – Qualified Nonphysician Anesthetist Services	292
150 – Clinical Social Worker (CSW) Services	294
160 – Independent Psychologist Services	294
❖ 170 – Clinical Psychologist Services	295
180 – Care Plan Oversight Services	295
❖ 190 – Medicare Payment for Telehealth Services	296
❖ 200 – Allergy Testing and Immunotherapy	302
❖ 210 – Outpatient Mental Health Limitation	303
220 – Chiropractic Services	305
❖ 230 – Primary Care Incentive Payment Program (PCIP)	306
Chapter 13 – Radiology Services and Other Diagnostic Procedures	308
❖ 10 – ICD-9-CM Coding for Diagnostic Tests	308
❖ 20 – Payment Conditions for Radiology Services	308
❖ 30 – Computerized Axial Tomography (CT) Procedures	310
❖ 40 – Magnetic Resonance Imaging (MRI) Procedures	312
❖ 50 – Nuclear Medicine (CPT 78000–79999)	314
❖ 60 – Positron Emission Tomography (PET) Scans—General Information	315
❖ 70 – Radiation Oncology (Therapeutic Radiology)	325
❖ 80 – Supervision and Interpretation (S&I) Codes and Interventional Radiology	327
❖ 90 – Services of Portable X-Ray Suppliers	327
❖ 100 – Interpretation of Diagnostic Tests	328
❖ 110 – Special Billing Instructions for Claims Submitted to Fls	329
❖ 120 – Radiology or Other Diagnostic Unlisted Service or Procedure Billing Instructions for FI Claims	329
❖ 130 – EMC Formats	330
❖ 140 – Bone Mass Measurements (BMMs)	330
❖ 150 – Place of Service (POS) Instructions for the Professional Component (PC or Interpretation) and the Technical Component (TC) of Diagnostic Tests	331
Chapter 16 – Laboratory Services	333
❖ 10 – Background	333
❖ 20 – Calculation of Payment Rates—Clinical Laboratory Test Fee Schedules	334
❖ 30 – Special Payment Considerations	334
❖ 40 – Billing for Clinical Laboratory Tests	336
❖ 50 – Carrier Claims Processing	343
❖ 60 – Specimen Collection Fee and Travel Allowance	345
❖ 70 – Clinical Laboratory Improvement Amendments (CLIA) Requirements	347
❖ 80 – Issues Related to Specific Tests	349
❖ 90 – Automated Profile Tests and Organ/Disease Oriented Panels ..	351
❖ 100 – CPT Codes Subject to and Not Subject to the Clinical Laboratory Fee Schedule	354
❖ 110 – Coordination Between Carriers and Other Entities	355
❖ 120 – Clinical Laboratory Services Based on the Negotiated Rulemaking	355
Chapter 17 – Drugs and Biologicals	359
10 – Payment Rules for Drugs and Biologicals	359
❖ 20 – Payment Allowance Limit for Drugs and Biologicals Not Paid on a Cost or Prospective Payment Basis	360
❖ 30 – Carrier Distribution of Limit Amounts	366
40 – Discarded Drugs and Biologicals	366
❖ 50 – Assignment Required for Drugs and Biologicals	366
❖ 60 – DMEPOS Suppliers Require a License to Dispense Drugs ..	368
❖ 70 – Claims Processing Requirements—General	368
❖ 80 – Claims Processing for Special Drug Categories	370
❖ 90 – Claims Processing Rules for Hospital Outpatient Billing and Payment	377
❖ 100 – The Competitive Acquisition Program (CAP) for Drugs and Biologicals Not Paid on a Cost or Prospective Payment Basis ..	378

101 – The Competitive Acquisition Program (CAP) for Drugs and Instructions on Special CAP Appeals Requirements and Delivery of Dispute Resolution Services	387
Chapter 18 – Preventive and Screening Services	389
1 – Medicare Preventive and Screening Services	389
❖ 10 – Pneumococcal Pneumonia, Influenza Virus, and Hepatitis B Vaccines	389
❖ 20 – Mammography Services (Screening and Diagnostic)	401
❖ 30 – Screening Pap Smears	416
❖ 40 – Screening Pelvic Examinations	418
❖ 50 – Prostate Cancer Screening Tests and Procedures	421
❖ 60 – Colorectal Cancer Screening	422
❖ 70 – Glaucoma Screening Services	429
❖ 80 – Initial Preventive Physical Examination (IPPE)	431
❖ 90 – Diabetes Screening	433
❖ 100 – Cardiovascular Disease Screening	434
❖ 110 – Ultrasound Screening for Abdominal Aortic Aneurysm (AAA)	435
❖ 120 – Diabetes Self-Management Training (DSMT) Services	436
❖ 130 – Human Immunodeficiency Virus (HIV) Screening Tests	437
❖ 140 – Annual Wellness Visit (AWV)	439
❖ 150 – Counseling to Prevent Tobacco Use	440
❖ 160 – Intensive Behavioral Therapy (IBT) for Cardiovascular Disease (CVD)	442
❖ 170 – Screening for Sexually Transmitted Infections (STIs) and High Intensity Behavioral Counseling (HIBC) to Prevent STIs	444
❖ 180 – Alcohol Screening and Behavioral Counseling Interventions in Primary Care to Reduce Alcohol Misuse	446
❖ 190 – Screening for Depression in Adults	449
❖ 200 – Intensive Behavioral Therapy for Obesity (Effective November 29, 2011)	450
❖ 210 – Screening for Hepatitis C Virus (HCV)	452
Chapter 20 – Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)	455
01 – Foreword	455
❖ 10 – Where to Bill DMEPOS and PEN Items and Services	455
❖ 20 – Calculation and Update of Payment Rates	457
❖ 30 – General Payment Rules	458
❖ 40 – Payment for Maintenance and Service for Non-ESRD Equipment	464
❖ 50 – Payment for Replacement of Equipment	465
❖ 60 – Payment for Delivery and Service Charges for Durable Medical Equipment	466
❖ 80 – Penalty Charges for Late Payment Not Included in Reasonable Charges or Fee Schedule Amounts	467
❖ 90 – Payment for Additional Expenses for Deluxe Features	467
❖ 100 – General Documentation Requirements	467
❖ 110 – General Billing Requirements—for DME, Prosthetics, Orthotic Devices, and Supplies	473
120 – DMERCs – Billing Procedures Related To Advanced Beneficiary Notice (ABN) Upgrades	475
❖ 130 – Billing for Durable Medical Equipment (DME) and Orthotic/ Prosthetic Devices	477
❖ 140 – Billing for Supplies	480
❖ 150 – Institutional Provider Reporting of Service Units for DME and Supplies	480
160 – Billing for Total Parenteral Nutrition and Enteral Nutrition	481
170 – Billing for Splints and Casts	481
❖ 190 – Contractor Application of Fee Schedule and Determination of Payments and Patient Liability for DME Claims	481
200 – Automatic Mailing/Delivery of DMEPOS	483
210 – CWF Crossover Editing for DMEPOS Claims During an Inpatient Stay	483
211 – SNF Consolidated Billing and DME Provided by DMEPOS Suppliers	484
212 – Home Health Consolidated Billing and Supplies Provided by DEMPOS Suppliers	485
220 – Appeals	485
230 – DMERC Systems	485
300 – New Systems Requirements	485
Chapter 32 – Billing Requirements for Special Services	486
10 – Diagnostic Blood Pressure Monitoring	486
11 – Wound Treatments	487
12 – Smoking and Tobacco-Use Cessation Counseling Services	489
20 – Billing Requirements for Coverage of Kidney Disease Patient Education Services	491
30 – Hyperbaric Oxygen (HBO) Therapy	492
40 – Sacral Nerve Stimulation	493
50 – Deep Brain Stimulation for Essential Tremor and Parkinson’s Disease	494
❖ 60 – Coverage and Billing for Home Prothrombin Time (PT/INR) Monitoring for Home Anticoagulation Management	497
67 – No Cost Items	505
68 – Investigational Device Exemption (IDE)	506
69 – Qualifying Clinical Trials	509
70 – Billing Requirements for Islet Cell Transplantation for Beneficiaries in a National Institutes of Health (NIH) Clinical Trial	512
80 – Billing of the Diagnosis and Treatment of Peripheral Neuropathy with Loss of Protective Sensation in People with Diabetes	513
90 – Stem Cell Transplantation	515
100 – Billing Requirements for Expanded Coverage of Cochlear Implantation	518
110 – Coverage and Billing for Ultrasound Stimulation for Nonunion Fracture Healing	519
120 – Presbyopia-Correcting (P-C IOLs) and Astigmatism-Correcting Intraocular Lenses (A-C IOLs) (General Policy Information)	520

Contents

130 – External Counterpulsation (ECP) Therapy	522
140 – Cardiac Rehabilitation Programs, Intensive Cardiac Rehabilitation Programs, and Pulmonary Rehabilitation Programs	522
❖ 150 – Billing Requirements for Bariatric Surgery for Treatment of Morbid Obesity	527
❖ 160 – PTA for Implanting the Carotid Stent	535
161 – Intracranial Percutaneous Transluminal Angioplasty (PTA) With Stenting	536
❖ 170 – Billing Requirements for Lumbar Artificial Disc Replacement	537
180 – Cryosurgery of the Prostate Gland	538
190 – Billing Requirements for Extracorporeal Photopheresis	540
200 – Billing Requirements for Vagus Nerve Stimulation (VNS)	542
210 – Billing Requirements for Continuous Positive Airway Pressure (CPAP) for Obstructive Sleep Apnea (OSA)	543
220 – Billing Requirements for Thermal Intradiscal Procedures (TIPs)	543
230 – Billing Wrong Surgical or Other Invasive Procedures Performed on a Patient, Surgical or Other Invasive Procedures Performed on the Wrong Body Part, and Surgical or Other Invasive Procedures Performed on the Wrong Patient	543
240 – Special Instructions for Services with a Gender/Procedure Conflict	544
250 – Pharmacogenomic Testing for Warfarin Response	544
❖ 260 – Dermal Injections for Treatment of Facial Lipodystrophy Syndrome (LDS)	545
270 – Claims Processing for Implantable Automatic Defibrillators	547
280 – Autologous Cellular Immunotherapy Treatment of Prostate Cancer	548
290 – Transcatheter Aortic Value Replacement (TAVR)	550
300 – Billing Requirements for Ocular Photodynamic Therapy (OPT) with Verteporfin	552
310 – Transesophageal Doppler Used for Cardiac Monitoring	552
❖ 320 – Artificial Hearts and Related Devices	553
❖ 330 – Percutaneous Image-guided Lumbar Decompression (PILD) for Lumbar Spinal Stenosis (LSS)	556
❖ 340 – Transcatheter Mitral Valve Repair (TMVR)	557
❖ 350 – Emergency and Foreign Hospital Services	559
❖ 360 – Payment for Services Received By Nonparticipating Providers	567
❖ 370 – Microvolt T-wave Alternans (MTWA)	572
Pub. 100-05 Medicare Secondary Payer (MSP) Manual	575
Chapter 3 – MSP Provider, Physician, and Other Supplier Billing Requirements	575
10 – General	575
❖ 20 – Obtain Information From Patient or Representative at Admission or Start of Care	577
❖ 30 – Provider, Physician, and Other Supplier Billing	583
❖ 40 – Completing the Form CMS-1450 in MSP Situations by Providers	587
50 – Summary of MSP Data Elements for Form CMS-1450 (UB-92)	589
60 – Completing the Form CMS-1500 in MSP Situations by Physicians and Other Suppliers of Services	590
Pub. 100-08 Medicare Program Integrity (MPI) Manual	593
Chapter 13 – Local Coverage Determinations	593
13.1 – Medicare Policies	593
❖ 13.3 – Individual Claim Determinations	595
❖ 13.4 – When To Develop New/Revised LCDs	595
❖ 13.5 – Content of an LCD	596
13.6 – LCD Format	597
❖ 13.7 – LCD Development Process	597
13.8 – The LCD Advisory Process	599
13.9 – Provider Education Regarding LCDs	600
13.10 – Application of LCD	601
13.11 – LCD Reconsideration Process	601
13.12 – Retired LCDs and the LCD Record	601
❖ 13.13 – Challenge of an LCD	601
Index	607