



Separate Payment for Disposable Negative Pressure Wound Therapy Devices on Home Health Claims

Related CR Release Date: **November 28, 2023** MLN Matters Number: MM13244
Revised

Related Change Request (CR) Number: CR 13244

Effective Date: January 1, 2024 - Claim
"Through" Dates on or after this date

Related CR Transmittal Number:
[R12291BP](#) & [R12291CP](#)

Implementation Date: January 2, 2024

Related CR Title: Separate Payment for Disposable Negative Pressure Wound Therapy Devices on Home Health Prospective Payment System Claims

What's Changed: We made no substantive changes to the Article other than to update the web address of the CR transmittals.

Affected Providers

- Home health agencies (HHAs)
- Other providers billing Medicare Administrative Contractors (MACs) for wound therapy services they provide to Medicare patients

Action Needed

Make sure your billing staff knows that effective January 1, 2024:

- Medicare will make separate payment for HCPCS code A9272 on type of bill (TOB) 032x, instead of 034x
- MACs will apply deductible and coinsurance

Background

Before CY 2024, under the home health benefit, Medicare made a separate payment for providing negative pressure wound therapy (NPWT) using a disposable device. That payment was for both the device and the services related to applying the device. The payment amount for providing NPWT using a disposable device under a home health (HH) plan of care was set equal to the lesser of the actual charges or the payment amount under the hospital outpatient prospective payment system (OPPS) for CPT codes 97607 and 97608 billed on the HH TOB 034x.

CMS didn't allow HHAs to bill for providing NPWT using a disposable device on a HH PPS TOB 032x.

Section 4136 of the [Consolidated Appropriations Act of 2023](#) (CAA, 2023) mandates that for CY 2024, the separate payment amount for applicable devices you provide on or after January 1, 2024, would no longer include payment for nursing or therapy services described in Section 1861(m) of the [Social Security Act](#) (the Act). Payment for such nursing or therapy services would now be made under the HH PPS and is no longer separately billable.

Starting in CY 2024 and each subsequent year, submit claims for the separate payment amount of an applicable disposable NPWT device using TOB 032x with revenue code 027x, except for 0274. Don't submit claims with a date of service on or after January 1, 2024, for an applicable disposable NPWT device on TOB 034x. We'll return claims on TOB 034x containing CPT codes 97607 or 97608.

Starting January 1, 2024, Section 4136 of the CAA, 2023, sets the separate payment amount for an applicable disposable NPWT device equal to the supply price used to determine the relative value for the service under the physician fee schedule (PFS) updated by the specified adjustment for such year. Section 4136 of the CAA, 2023 also adds a new subparagraph to Section 1834(s)(3)(B) of [the Act](#), which requires that the separate payment amount be adjusted by the percent increase in the CPI-U for the 12-month period ending with June of the preceding year minus the productivity adjustment for such year.

This may result in a percentage being less than 0.0 for a year, and may result in payment being less than such payment rates for the preceding year. For 2025 and each subsequent year, the CAA, 2023 requires that the separate payment amount will be set equal to the payment amount established for the device in the previous year, updated by the specified adjustment described in Section 1848, subparagraph (B) of [the Act](#) for such year.

MACs will apply deductible and coinsurance to HCPCS code A9272 on TOB 032x.

More Information

We issued CR 13244 to your MAC as the official instruction for this change.

For more information, [find your MAC's website](#).

Document History

Date of Change	Description
November 28, 2023	We made no substantive changes to the Article other than to update the web address of the CR transmittals.
November 3, 2023	Initial article released.

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