



Related MLN Matters Article #: MM4133

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### *Coverage by Medicare Advantage (MA) Plans for Implantable Automatic Cardiac Defibrillator (ICD) Services Not Previously Included in MA Capitation Rates*

#### Key Words

MM4133, CR4133, MA, Capitation, Defibrillator, ICDM, ICD, Cardiomyopathy, FFS, MM3604, CR3604

#### Provider Types Affected

All Medicare providers billing either a Medicare carrier or fiscal intermediary (FI) for ICDs for Medicare beneficiaries who are also members of Medicare Advantage (MA) plans

#### Key Points

- The effective date of the instruction is January 1, 2006.
- The implementation date is January 3, 2006.
- Beginning January 1, 2006, the MA rates are appropriately adjusted to account for the expanded coverage of ICD services, and MA plans are now liable for payment relating directly to providing these services.
- Medicare will no longer pay Fee-for-Service (FFS) claims for the expanded coverage of ICD services rendered to MA beneficiaries. These services are part of the MA capitation rates.
- Medicare systems will now deny, for beneficiaries in MA plans, claims that meet all of the conditions described in the following categories:
  - Outpatient Claims Processed by FIs with:
    - Date(s) of service on or after January 1, 2006; and
    - Condition code 78 (New coverage not implemented by HMO); and
    - One of the following Health Care Procedure Coding System (HCPCS) codes: G0297, G0298, G0299, or G0300.
  - Hospital Inpatient Claims with:
    - Discharge date on or after January 1, 2006; and
    - Condition code 78; and

- ICD-9 CM code 37.94.
- Professional Part B Claims with:
  - Date(s) of service is/are on or after January 1, 2006; and
  - Modifier KZ (New coverage not implemented by managed care); and
  - Current Procedural Terminology (CPT) code 33249.
- When denying these services, Medicare carriers and FIs will use:
  - Medicare Summary Notice (MSN) 11.3 (“Our records show that you are enrolled in a health maintenance organization. Your provider must bill this service to them”); and
  - Claim adjustment reason code 24 (“Payment for charges adjusted. Charges are covered under a capitation agreement/managed care plan”).

### Important Links

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM4133.pdf>

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3604.pdf>

Affected providers can find more information about billing for ICD services for MA Plan beneficiaries by going to <http://www.cms.hhs.gov/transmittals/downloads/R186OTN.pdf> on the Centers for Medicare and Medicaid Services website.

Affected providers can find indications and limitation of coverage for ICDs in the *Medicare National Coverage Determinations Manual* (Pub. 100-03), Chapter 1, Part 1, §20.4 (Implantable Automatic Defibrillators).