



Clarification of Billing and Payment Policies for Negative Pressure Wound Therapy (NPWT) Using a Disposable Device

MLN Matters Number: SE17027

Related Change Request (CR) Number: N/A

Article Release Date: September 20, 2017

Effective Date: N/A

Related CR Transmittal Number: N/A

Implementation Date: N/A

PROVIDER TYPE AFFECTED

This MLN Matters® Article is intended for Home Health Agencies (HHAs) submitting claims to Home Health & Hospice Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

WHAT YOU NEED TO KNOW

This Special edition MLN Matters article is informational only and is intended to provide helpful information to providers. The article does not reflect any change in Medicare policy.

BACKGROUND

The Consolidated Appropriations Act, 2016 (Pub. L 114-113) requires a separate payment to be made to Home Health Agencies (HHAs) for disposable Negative Pressure Wound Therapy (NPWT) devices when furnished, on or after January 1, 2017, to an individual who receives home health services for which payment is made under the Medicare home health benefit. In the CY 2017 HH PPS Final Rule, the Centers for Medicare & Medicaid Services (CMS) finalized policies related to payment for furnishing NPWT using a disposable device under a home health plan of care.

Reporting NPWT Services using a Disposable Device:

Effective January 1, 2017, Medicare makes a separate payment amount for a disposable Negative Pressure Wound Therapy (NPWT) device for a patient under a home health plan of care. Payment is equal to the amount of the payment that would otherwise be made under the Outpatient Prospective Payment System (OPPS).

Disposable NPWT services are billed using the following Current Procedural Terminology® (CPT®) codes:

- 97607 - Negative pressure wound therapy, (e.g., vacuum assisted drainage collection), utilizing disposable, non-durable medical equipment including provision of exudate management collection system, topical application(s), wound assessment, and instructions for ongoing care, per session; total wound(s) surface area less than or equal to 50 square centimeters.
- 97608 - Negative pressure wound therapy, (e.g., vacuum assisted drainage collection), utilizing disposable, non-durable medical equipment including provision of exudate management collection system, topical application(s), wound assessment, and instructions for ongoing care, per session; total wound(s) surface area greater than 50 square centimeters.

The HHA reports the CPT® code with one of three revenue codes, depending on the practitioner that provided the service:

- Skilled nurse – 0559
- Physical therapist – 042x
- Occupational therapy – 043x.

When using revenue codes 042x or 043x, the HHA should not use the therapy plan of care modifiers (GO or GP) for NPWT services.

There are no additional documentation requirements for the provision of NPWT using a disposable device. The HHA documentation (and any supporting documentation leading to the order for home health and NPWT using a disposable device) should support that the patient needs wound care using NPWT. The medical necessity and documentation requirements would be no different than what is currently required when patients receive wound care from a home health nurse when the patient is receiving conventional NPWT. HHAs may also follow their own internal policies and procedures for documenting clinical information in the patient's medical record beyond those required by regulation.

Billing for dNPWT Services:

The (CPT®) codes for furnishing NPWT using a disposable device include both performing the service and the disposable NPWT device, which is defined as an integrated system comprised of a non-manual vacuum pump, a receptacle for collecting exudate, and dressings for the purposes of wound therapy. Services related to the furnishing NPWT using a disposable device that do not encompass the placement or replacement of the entire integrated system should be billed per existing HH PPS guidelines.

- When furnishing NPWT using a disposable device, both the device and the services associated with furnishing the device are paid for separately based on the OPPS amount.
- When a HHA furnishes NPWT using a disposable device, the HHA is furnishing a new disposable NPWT device.

- This means the HHA provider is either initially applying an entirely new disposable NPWT device, or removing a disposable NPWT device and replacing it with an entirely new one.
- In both cases, all the services associated with NPWT—for example, conducting a wound assessment, changing dressings, and providing instructions for ongoing care—must be reported on TOB 34x with the corresponding CPT® code (that is, CPT® code 97607 or 97608); they may not be reported on the home health claim (TOB 32x).
- The reimbursement for all of these services is included in the OPPS reimbursement amount for those two CPT® codes.
- Any follow-up visits for wound assessment, wound management, and dressing changes where a new disposable NPWT device is not applied must be included on the home health claim (TOB 32x).

Some example billing scenarios for HHAs furnishing NPWT using a disposable device are provided below:

Clinical Scenario	Appropriate Billing Procedure
<p>Scenario 1: A nurse assesses the patient’s condition, assesses the wound, and applies a new disposable NPWT device. The nurse also provides wound care education to the patient and family. On the following Monday, the nurse returns, assesses the wound, and replaces the device that was applied the week before with an entirely new disposable NPWT device.</p>	<p>All services provided by the nurse were associated with furnishing NPWT using a disposable device because the nurse applied a new disposable NPWT device during each visit. The nurse did not provide any services other than furnishing NPWT using a disposable device. Therefore, all the nursing services for both visits should be reported on TOB 34x with CPT® code 97607 or 97608. None of the services should be reported on TOB 32x.</p>

Clinical Scenario	Appropriate Billing Procedure
<p>Scenario 2: On Monday, a nurse assesses a wound, applies a new disposable NPWT device, and provides wound care education to the patient and family. The nurse returns on Thursday for wound assessment and replaces the fluid management system (or dressing) for the existing disposable NPWT, but does not replace the entire device. The nurse returns the following Monday, assesses the patient's condition and the wound, and replaces the device that had been applied on the previous Monday with a new disposable NPWT device.</p>	<p>For both Monday visits, all the services provided by the nurse were associated with furnishing NPWT using a disposable device. The nurse did not provide any services that were not associated with furnishing NPWT using a disposable device. Therefore, all the nursing services for both Monday visits should be reported on TOB 34x with CPT® code 97607 or 97608. None of the services should be reported on TOB 32x.</p> <p>For the Thursday visit, the nurse checked the wound, but did not apply a new disposable NPWT device, so even though the nurse provided care related to the wound, those services would not be considered furnishing NPWT using a disposable device. Therefore, the services should be reported on bill type 32x and no services should be reported on bill type 34x.</p>
<p>Scenario 3: On Monday, the nurse applies a new disposable NPWT device. On Thursday, the nurse returns for a scheduled visit to change the beneficiary's indwelling catheter. While there, the nurse assesses the wound and applies a new fluid management system (or dressing) for the existing disposable NPWT device, but does not replace the device entirely.</p>	<p>For the Monday visit, all the nursing services were associated with furnishing NPWT using a disposable device. The nurse did not provide any services that were not associated with furnishing NPWT using a disposable device. Therefore, the HHA should report the nursing visit on TOB 34x with CPT® code 97607 or 97608; the visit should not be reported on a 32x claim.</p> <p>For the Thursday visit, while the nursing services included wound assessment and application of a component of the disposable NPWT device, the nurse did not furnish a new disposable NPWT device. Therefore, the nurse did not furnish NPWT using a disposable device, so the HHA should report all the nursing services for the visit, including the catheter change and the wound care, on TOB 32x.</p>

Clinical Scenario	Appropriate Billing Procedure
<p>Scenario 4: On Monday, the nurse applies a new disposable NPWT device, and provides instructions for ongoing wound care. During this same visit, per the HH plan of care, the nurse changes the indwelling catheter and provides troubleshooting information and teaching regarding its maintenance.</p>	<p>The visit included applying a new disposable NPWT device as well as services unrelated to that NPWT service, which means the HHA will submit both a TOB 34x and a TOB 32x.</p> <p>For furnishing NPWT using a disposable device, that is, the application of the new disposable NPWT device and the time spent instructing the beneficiary about ongoing wound care, the HHA would bill using a TOB 34x with CPT® code 97607 or 97608.</p> <p>For services not associated with furnishing NPWT using a disposable device, that is, for the replacement of the indwelling catheter and instructions about troubleshooting and maintenance, the HHA would bill under TOB 32x.</p>

In addition to the routine, required information for submission on Medicare claims, the following identifies specific information required for HHAs to submit NPWT using a disposable device on a 34X Type of Bill (TOB).

Field Name	Description
TOB	34X —Performing NPWT using a disposable device (integrated system of a vacuum pump, receptacle for collecting exudate, and dressings for the purpose of wound therapy)
STMT DATES FROM/TO	Enter the dates of service for the billing period. NOTE: the dates should fall within the "FROM" and "TO" dates for the HH PPS episode of care provided by the primary HHA.
REV	Report the appropriate revenue code. Valid codes are: 0559 – Skilled nurse (report HCPCS codes 97607 or 97608) 042X – Physical therapy 043X – Occupational therapy

Field Name	Description
HCPC	<p>Enter the appropriate HCPCS code (report with revenue code 0559):</p> <p>97607—Negative pressure wound therapy (e.g., vacuum assisted drainage collection), utilizing disposable, non-durable medical equipment including provision of exudate management collection system, topical application(s), wound assessment, and instructions for ongoing care, per session; total wound(s) surface area less than or equal to 50 square centimeters.</p> <p>97608—Negative pressure wound therapy (e.g., vacuum assisted drainage collection), utilizing disposable, non-durable medical equipment including provision of exudate management collection system, topical application(s), wound assessment, and instructions for ongoing care, per session; total wound(s) surface area greater than 50 square centimeters.</p>
TOT UNIT/COV UNIT	Report the number of visits.
TOT CHARGES	Enter the total charge for all revenue codes.
SERV DATE	Enter the date the service was provided.

For additional instructions on billing for NPWT using a disposable device, see the “Medicare Claims Processing Manual,” Chapter 10, Section 90.3, “Billing Instructions for Disposable Negative Pressure Wound Therapy Services” at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c10.pdf>.

Medicare home health claims using either TOB 32x or 34x are submitted to MACs using the Fiscal Intermediary Standard System (FISS). Detailed instructions on using FISS are available on the MACs’ websites. You will find your MAC’s site at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Review-Contractor-Directory-Interactive-Map/>.

Payment for NPWT Services using a Disposable Device:

Payment for CPT® codes 97607 and 97608 is set equal to the amount of the payment that would be made under the OPPS; therefore, the payment amount will also be subject to the area wage adjustment policies in place under the OPPS in a given year.

While there is typically no coinsurance, copayment, or deductible associated with home health services and supplies, coinsurance is required for both Durable Medical Equipment (DME) and furnishing NPWT using a disposable device covered as a home health service, which is defined as 20 percent of the payment amount. The amount paid to the HHA by Medicare would be equal to 80 percent of the lesser of the actual charge or the payment amount as determined by the OPPS for the year.

Type of Bill	Rule
Beneficiary Under Home Health Plan of Care and Services Fall Under Plan of Care (TOB 032X)	Deductible: No Coinsurance: No Exception: Coinsurance applies on DME, NPWT using a disposable device, and orthotic/prosthetic claims.
Beneficiary Not Under Home Health Plan of Care, Services are Part B Medical and Other Health Services or Osteoporosis Injections (TOB 034x)	Deductible: Yes Coinsurance: Yes Exception: Deductible and coinsurance may be waived for certain preventive services.

HHAs should conduct insurance benefit verification for CPT® codes 97607 and 97608 from both primary and secondary payers. It is required that providers bill for and make a good faith effort to collect the coinsurance from the patient's secondary insurance. Consult the "Medicare Secondary Payer Manual" for detailed instructions: <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Internet-Only-Manuals-IOMs-Items/CMS019017.html>

HHAs are required to notify beneficiaries of any coinsurance responsibility if they do not have a secondary/supplemental insurance coverage. When coinsurance is applicable, and the patient does not have secondary insurance, the HHA should collect the appropriate amount from the patient.

As a reminder, home health billing transactions, including claims and adjustments, must be submitted no later than 12 months (or 1 calendar year) after the date the services were furnished.

ADDITIONAL INFORMATION

HHA billing staff may want to review MLN Matters article MM9736 (based on CR9736), which is available at <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/mm9736.pdf>. This article contains additional details regarding the provision of NPWT using a disposable device.

If you have any questions, please contact your MAC at their toll-free number. That number is available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Review-Contractor-Directory-Interactive-Map/>.

DOCUMENT HISTORY

Date of Change	Description
September 22, 2017	Initial article released

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