PROVIDER TYPES AFFECTED

Durable Medical Equipment (DME) Suppliers. Physicians and non-physician practitioners who write prescriptions for surgical dressings

BACKGROUND

The Medicare Fee-For-Service improper payment rate for surgical dressings for the 2017 reporting period was 71.3 percent, representing a projected improper payment amount of over $126 million.

Surgical dressings are covered under the surgical dressings benefit (Social Security Act 1861 (s)(5)). Provisions set out in Local Coverage Determination L33831 must be met. There are also specific statutory payment policy requirements that must be met as lined out in Surgical Dressings Policy Article A54563.
REASONS FOR DENIALS

For the 2017 reporting period, insufficient documentation accounted for 87.8 percent of improper payments for surgical dressings. Additional types of errors for surgical dressings in the 2017 reporting period were no documentation (0.8 percent), medical necessity (0.1 percent), and other (11.4 percent).

TO PREVENT DENIALS

The following Medicare coverage guidance applies to surgical dressing claims:

- Surgical dressings are covered when a qualifying wound is present. A qualifying wound is defined as either of the following:
  - A wound caused by, or treated by, a surgical procedure
  - A wound that requires debridement, regardless of the debridement technique

- Products that are eligible to be classified as a surgical dressings include both:
  - **Primary dressings** – Defined as therapeutic or protective coverings applied directly to wounds or lesions either on the skin or caused by an opening to the skin
  - **Secondary dressings** – Defined as materials that serve a therapeutic or protective function and that are needed to secure a primary dressing

- Dressings over a percutaneous catheter or tube are covered as long as the tube or catheter remains in place, and after removal until the wound heals
  - Dressing size must be appropriate to the size of the wound

- **Orders**
  - The order must specify:
    - Type of dressing (hydrocolloid cover, hydrogel filler)
    - Size of the dressing
    - Number/amount to be used at one time
    - Frequency of the dressing change
    - Expected duration of need

There must be a written, signed, and dated order. This must be received by the supplier before the claim can be submitted

- New order if a new dressing is added or if the quantity of an existing dressing is increased
- New order at least every three months for each dressing being used
• **Clinical documentation must include:**
  • Number of surgical/debrided wounds treated with a dressing, reason for, and whether the dressing is being used as a primary or secondary dressing (must be obtained from the physician, nursing home, or home care nurse)
  • Clinical information that is up to date and supports the necessity of the type and amount of surgical dressings
  • Documentation of monthly or more frequent wound evaluations (more frequent for those in nursing facilities or with heavily draining/infected wounds).

Assessments to include:
  ◦ Type of wounds
  ◦ Location
  ◦ Size (Length x Width cm.)
  ◦ Depth
  ◦ Drainage Amount

• **Code Specific requirements**
  • When codes A4649, A6261 or A6262 are used, there must be a narrative description of the product, manufacturer, brand name/number, and information justifying medical necessity
  • The appropriate modifier (A1 – A9, AW, EY, or GY) must be added when applicable
  • For specific coverage guidelines, please see Surgical Dressings LCD L33831

• For additional guidance on Medical Record Documentation Requirements and Medicare Signature Requirements, please see [Complying With Medical Record Documentation Requirements](#) and [Complying with Medicare Signature Requirements](#).
# RESOURCES

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<thead>
<tr>
<th>FOR MORE INFORMATION ABOUT...</th>
<th>RESOURCE</th>
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<tr>
<td>The 2017 Medicare Fee-For-Service Supplemental Improper Payment Date</td>
<td><a href="https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/CERT-Reports-Items/2017-Medicare-FFS-Payment-Data.html?DLPage=1&amp;DLEntries=10&amp;DLSort=0&amp;DLSortDir=descending">https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/CERT-Reports-Items/2017-Medicare-FFS-Payment-Data.html?DLPage=1&amp;DLEntries=10&amp;DLSort=0&amp;DLSortDir=descending</a></td>
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<tr>
<td>Local Coverage Article: Surgical Dressings - Policy Article (A54563)</td>
<td><a href="https://www.cms.gov/medicare-coverage-database/license/cpt-license.aspx?from=~/overview-and-quick-search.aspx&amp;npage=/medicare-coverage-database/details/article-details.aspx&amp;articleId=54563&amp;ver=11&amp;CovrageSelection=Local&amp;ArticleType=All&amp;PolicyType=Final&amp;s=All&amp;KeyWord=Surgical+Dressings&amp;KeyWordLookUp=Title&amp;KeyWordSearchType=And&amp;bc=gAAAACAAAAAA%3d%3d">https://www.cms.gov/medicare-coverage-database/license/cpt-license.aspx?from=~/overview-and-quick-search.aspx&amp;npage=/medicare-coverage-database/details/article-details.aspx&amp;articleId=54563&amp;ver=11&amp;CovrageSelection=Local&amp;ArticleType=All&amp;PolicyType=Final&amp;s=All&amp;KeyWord=Surgical+Dressings&amp;KeyWordLookUp=Title&amp;KeyWordSearchType=And&amp;bc=gAAAACAAAAAA%3d%3d</a></td>
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