

CMS Manual System

Pub 100-02 Medicare Benefit Policy

Transmittal 39

Department of Health & Human Services (DHHS)

Centers for Medicare & Medicaid Services (CMS)

Date: NOVEMBER 10, 2005

Change Request 4038

SUBJECT: Auditory Osseointegrated and Auditory Brainstem Devices

I. SUMMARY OF CHANGES: The definition of 'hearing aids' in the manual has been modified to exclude certain implanted devices from the category of hearing aid.

NEW/REVISED MATERIAL

EFFECTIVE DATE: November 10, 2005

IMPLEMENTATION DATE: December 12, 2005

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R = REVISED, N = NEW, D = DELETED

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	16/Table of Contents
R	16/100 - Hearing Aids and Auditory Implants

III. FUNDING:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2006 operating budgets.

IV. ATTACHMENTS:

Business Requirements

Manual Instruction

**Unless otherwise specified, the effective date is the date of service.*

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
4038.2	Intermediaries shall continue to pay for implantation of osseointegrated auditory devices and auditory brainstem devices under current payment methodologies. Hospital outpatients departments should bill using the current codes for osseointegrated implantation such as 69714, 69715, 69717, and 69718. Should more specific codes become available, contractors are to use these codes when appropriate.	X								
4038.3	Carriers shall pay for the covered physician services related to implantation of osseointegrated implants as prosthetic devices using the current codes for osseointegrated implantation such as 69714, 69715, 69717, and 69718. The code to use to identify the device is currently L8699. Should more specific codes become available, contractors are to use these codes when appropriate.			X						
4038.4	Carriers shall pay for the covered physicians services related to implantation of the auditory brainstem implanted device, e.g., using the appropriate codes for tumor resection 61520, 61530, 61598, if indicated, and also a code for cranial neurostimulators, such as 61875. Should more specific codes become available, contractors are to use these codes when appropriate.			X						
4038.5	Carriers and intermediaries shall process claims and pay for covered battery replacements for auditory brainstem implants using the same codes and procedures used for cochlear implant batteries.	X		X						

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
4038.6	Contractors need not search their files to either retract payment for claims already paid or to retroactively pay claims. However, contractors shall adjust claims brought to their attention.	X		X					

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
4038.7	A provider education article related to this instruction will be available at www.cms.hhs.gov/medlearn/matters shortly after the CR is released. You will receive notification of the article release via the established "medlearn matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin and incorporated into any educational events on this topic. Contractors are free to supplement Medlearn Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X		X					

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

Effective Date*: November 10, 2005 Implementation Date: December 12, 2005 Pre-Implementation Contact(s): Claudette Sikora 410-786-5618, Dorothy Shannon 410-786-3396 Post-Implementation Contact(s): Claudette Sikora 410-786-5618, Dorothy Shannon 410-786-3396	No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.
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Medicare Benefit Policy Manual

Chapter 16 - General Exclusions From Coverage

Table of Contents

(Rev. 39, 11-10-05)

100 - Hearing Aids and *Auditory* Implants

100 - Hearing Aids and *Auditory* Implants

(Rev. 39; Issued: 11-10-05; Effective: 11-10-05; Implementation: 12-12-05)

Section 1862(a)(7) of the Social Security Act states that no payment may be made under part A or part B for any expenses incurred for items or services “where such expenses are for . . . hearing aids or examinations therefore. . . .” This policy is further reiterated at 42 CFR 411.15(d) which specifically states that “hearing aids or examination for the purpose of prescribing, fitting, or changing hearing aids” are excluded from coverage.

Hearing aids are amplifying devices that compensate for impaired hearing. Hearing aids include air conduction devices that provide acoustic energy to the cochlea via stimulation of the tympanic membrane with amplified sound. They also include bone conduction devices that provide mechanical energy to the cochlea via stimulation of the scalp with amplified mechanical vibration or by direct contact with the tympanic membrane or middle ear ossicles.

Certain devices that produce perception of sound by replacing the function of the middle ear, cochlea or auditory nerve are payable by Medicare as prosthetic devices. These devices are indicated only when hearing aids are medically inappropriate or cannot be utilized due to congenital malformations, chronic disease, severe sensorineural hearing loss or surgery.

The following are prosthetic devices:

- Cochlear implants and auditory brainstem implants, i.e., devices that replace the function of cochlear structures or auditory nerve and provide electrical energy to auditory nerve fibers and other neural tissue via implanted electrode arrays.*
- Osseointegrated implants, i.e., devices implanted in the skull that replace the function of the middle ear and provide mechanical energy to the cochlea via a mechanical transducer.*

Medicare contractors deny payment for an item or service that is associated with any hearing aid as defined above. See §180 for policy for the medically necessary treatment of complications of implantable hearing aids, such as medically necessary removals of implantable hearing aids due to infection.