INTRODUCTION

This publication is meant to educate providers on coverage and proper billing for ordering lower limb prostheses.
PROVIDER TYPES AFFECTED
Physicians and other practitioners who write prescriptions for lower limb prostheses.

BACKGROUND
For the 2019 report period, the Medicare Fee-for-Service (FFS) improper payment rate for lower limb prostheses was 25.5 percent, which is a projected improper payment amount of $166,017,603.

REASONS FOR DENIALS - INSUFFICIENT DOCUMENTATION
For the 2019 report period, most of the improper payments for lower leg prostheses were due to insufficient documentation (98.9 percent).

To be eligible for Medicare reimbursement, items must meet the reasonable and necessary requirements, based on Social Security Act § 1862(a)(1)(A) provisions and meet all other applicable Medicare statutory and regulatory requirements.

A lower limb prosthesis is covered when the beneficiary:
1. Will reach or maintain a defined functional state within a reasonable period of time; and
2. Is motivated to ambulate.

TO PREVENT DENIALS
A medical necessity determination for certain components and additions to the prosthesis is based on the beneficiary’s potential functional abilities. Potential functional ability is based on the reasonable expectations of the prosthetist, and treating physician, considering factors including, but not limited to:

• The beneficiary’s past history (including prior prosthetic use if applicable) and;
• The beneficiary’s current condition including the status of the residual limb and the nature of other medical problems and;
• The beneficiary’s wish to ambulate.

Clinical assessments of beneficiary rehabilitation potential must be based on the following classification levels:

• Level 0: Doesn’t have the ability or potential to ambulate or transfer safely with or without help and a prosthesis doesn’t enhance their quality of life or mobility
• Level 1: Has the ability or potential to use a prosthesis for transfers or ambulation on level surfaces at fixed cadence (typical of the limited and unlimited household ambulator)
• Level 2: Has the ability or potential for ambulation with the ability to traverse low-level environmental barriers such as curbs, stairs, or uneven surfaces (typical of the limited community ambulator)
• Level 3: Has the ability or potential for ambulation with variable cadence (typical of the community ambulatory who has the ability to traverse most environmental barriers and may have vocational, therapeutic, or exercise activity that demands prosthetic use beyond simple locomotion)
• Level 4: Has the ability or potential for prosthetic ambulation that exceeds basic ambulation skills, showing high impact, stress, or energy levels (typical of the prosthetic demands of the child, active adult, or athlete)

The records must have documentation on the beneficiary’s current functional ability and their expected functional potential, including an explanation for the difference, if that is the case. It’s recognized, within the functional classification hierarchy, that bilateral amputees often can’t be strictly bound by functional level classifications.

According to the Local Coverage Determination (LCD) L33787, the functional levels given above must be considered by both providers and suppliers, in deciding the right prosthesis or code. The billing and coding staff must correctly report using HCPCS Modifiers (e.g., K0, K1 – K4, RT, LT) that correspond to the beneficiary’s functional level as decided by their provider.

RESOURCES

Table 1. Ordering Lower Limb Prostheses Resources

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<tr>
<th>Resources</th>
<th>Website</th>
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<tbody>
<tr>
<td>Local Coverage Determination (LCD): Lower Limb Prostheses (L33787)</td>
<td>[<a href="https://www.cms.gov/medicare-coverage-database/details/lcd-details.aspx?LCDId=33787&amp;ver=13&amp;SearchType=Advanced&amp;CoverageSelection=Local&amp;TicleType=SAD%7cEd&amp;PolicyType=Both&amp;s=All&amp;Key_Wod=Lower+Limb+Prostheses&amp;Key_WodLookUp=Title&amp;Key_WodSearchType=Ex&amp;k=0">https://www.cms.gov/medicare-coverage-database/details/lcd-details.aspx?LCDId=33787&amp;ver=13&amp;SearchType=Advanced&amp;CoverageSelection=Local&amp;TicleType=SAD%7cEd&amp;PolicyType=Both&amp;s=All&amp;Key_Wod=Lower+Limb+Prostheses&amp;Key_WodLookUp=Title&amp;Key_WodSearchType=Ex&amp;k=0</a> CAAAAAAAA&amp;]</td>
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<td>Social Security Act 1861(s)(6)</td>
<td><a href="https://www.ssa.gov/OP_Home/ssact/title18/1861.htm">https://www.ssa.gov/OP_Home/ssact/title18/1861.htm</a></td>
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Please Contact your MAC for any updates or changes to the Policy Article (PA) and the LCD regarding policy and general documentation requirements.