

## Device and Skin Substitute Policy, Facility

### **IMPORTANT NOTE ABOUT THIS REIMBURSEMENT POLICY**

*You are responsible for submission of accurate claims. This reimbursement policy is intended to ensure that you are reimbursed based on the code or codes that correctly describe the health care services provided. UnitedHealthcare Community Plan reimbursement policies uses Current Procedural Terminology (CPT<sup>®</sup>), Centers for Medicare and Medicaid Services (CMS) or other coding guidelines. References to CPT or other sources are for definitional purposes only and do not imply any right to reimbursement. This reimbursement policy applies to all health care services billed on UB04 forms. Coding methodology, industry-standard reimbursement logic, regulatory requirements, benefits design and other factors are considered in developing reimbursement policy.*

*This information is intended to serve only as a general reference resource regarding UnitedHealthcare Community Plan's reimbursement policy for the services described and is not intended to address every aspect of a reimbursement situation. Accordingly, UnitedHealthcare Community Plan may use reasonable discretion in interpreting and applying this policy to health care services provided in a particular case. Further, the policy does not address all issues related to reimbursement for health care services provided to UnitedHealthcare Community Plan enrollees.*

**Other factors affecting reimbursement supplement, modify or, in some cases, supersede this policy. These factors include, but are not limited to: federal &/or state regulatory requirements, the facility or other provider contracts, the enrollee's benefit coverage documents, and/or other reimbursement, medical or drug policies.**

*Finally, this policy may not be implemented exactly the same way on the different electronic claims processing systems used by UnitedHealthcare Community Plan due to programming or other constraints; however, UnitedHealthcare Community Plan strives to minimize these variations.*

*UnitedHealthcare Community Plan may modify this reimbursement policy at any time by publishing a new version of the policy on this Website. However, the information presented in this policy is accurate and current as of the date of publication. CPT Copyright American Medical Association. All rights reserved.*

*CPT<sup>®</sup> is a registered trademark of the American Medical Association.*

### Application

**This reimbursement policy applies to UnitedHealthcare Community Plan Medicaid products.**

This reimbursement policy applies to services reported using the UB-04 form or its electronic equivalent or its successor form. This policy applies to all products and all network and non-network facilities including, but not limited to, non-network authorized and percent of charge contract facilities.

### Policy

#### Overview

For outpatient hospital services, this policy describes the coding guidelines associated with reporting devices and skin substitutes with their associated procedures. The policy also describes required coding associated with devices obtained by the provider at no cost or at a reduced cost.

#### Reimbursement Guidelines

##### **Device and Skin Substitutes with Associated Procedures**

These coding guidelines will be applied to outpatient hospital services using the CMS criteria for devices and skin substitutes within the Center for Medicare and Medicaid Services (CMS) Integrated Outpatient Claims Editor (OCE).

<https://www.cms.gov/medicare/coding/outpatientcodeedit>

##### **Device Dependent Procedures**

When the use of a device is necessary in the performance of certain procedures, the device must be submitted with the same date of service and on the same claim as the procedure. A device dependent procedure will be denied if reported without an applicable device on the same claim and date of service. A submission of the procedure code without a device would only be considered for reimbursement when the service was discontinued prior to the placement

of the device and appended with an appropriate modifier indicating it was a discontinued procedure. The applicable codes are defined in the OCE HCPCS data file.

### **Skin Substitute Application**

When a skin substitute application or replacement procedure is reported, the associated skin substitute product must be submitted on the same claim and for the same date of service. Skin substitutes are assigned two categories specific to low cost and high cost. The applicable codes are defined in the OCE HCPCS data file.

- Skin substitute application or replacement procedures identified in the OCE as low cost will be denied when a skin substitute product identified as low cost on the OCE is not submitted for the same date of service and on the same claim.
- Skin substitute application or replacement procedures identified in the OCE as high cost will be denied when a skin substitute product identified as high cost on the OCE is not submitted for the same date of service and on the same claim.

### **Skin Substitute Low Procedures**

|       |       |       |       |       |       |       |       |
|-------|-------|-------|-------|-------|-------|-------|-------|
| C5271 | C5272 | C5273 | C5274 | C5275 | C5276 | C5277 | C5278 |
|-------|-------|-------|-------|-------|-------|-------|-------|

### **Skin Substitute High Procedures**

|       |       |       |       |       |       |       |       |
|-------|-------|-------|-------|-------|-------|-------|-------|
| 15271 | 15272 | 15273 | 15274 | 15275 | 15276 | 15277 | 15278 |
|-------|-------|-------|-------|-------|-------|-------|-------|

### **Device Credit**

When a device was obtained by the provider at no cost or a reduced cost, it must be submitted with the appropriate condition code, value code, and modifier.

Condition codes applicable to device credit:

- Condition code 49: Product Replacement within Product Lifecycle--Replacement of a product earlier than the anticipated lifecycle.
- Condition code 50: Product Replacement for Known Recall of a Product--Manufacturer or FDA has identified the product for recall and therefore replacement.
- Condition code 53: Initial placement of a medical device provided as part of a clinical trial or free sample--Code is for outpatient claims that have received a device credit upon initial medical device placement in a clinical trial or a free sample.

Value Code applicable to device credit:

- Value Code FD: Credit Received from the Manufacturer for a Medical Device

Modifiers applicable to device credit:

- Modifier FB: Items without cost to provider, supplier, or practitioner, or full credit received for replaced device (examples, but not limited to, covered under warranty, replaced due to defect, free examples).
- Modifier FC: Partial credit for replaced device.

## **State Exceptions**

|                                  |   |
|----------------------------------|---|
| <b>States Exempt from Policy</b> | Arizona, Kansas, Massachusetts, Minnesota, Mississippi, Nebraska, North Carolina, Texas |
| <b>Indiana</b>                   | Indiana is exempt from this policy based on state requirements                          |

### Questions and Answers

|          |  |
|----------|--|
| <b>1</b> | <p><b>Q:</b> May we submit a device dependent procedure code when the procedure was discontinued before the device could be implanted?</p> <p><b>A:</b> Yes. If the procedure is a device dependent procedure and it was discontinued prior to completion, you may submit the code for the procedure with the appropriate modifier indicating it was a discontinued. You would not be required to submit a code for the device itself.</p> |
| <b>2</b> | <p><b>Q:</b> May a low-cost skin substitute product be reported along with a high-cost skin substitute procedure?</p> <p><b>A:</b> No. The low-cost skin substitute products may only be reported with a low-cost skin substitute procedure. Equally, the high-cost skin substitute products may only be reported with a high-cost skin substitute procedure.</p>  |

### Attachments

|  |                                   |
|--|-----------------------------------|
| <a href="#"><u>Device Dependent Procedure List</u></a>   | Device Dependent Procedure List   |
| <a href="#"><u>Device Dependent Devices List</u></a>     | Device Dependent Devices List     |
| <a href="#"><u>Skin Substitute Low Product List</u></a>  | Skin Substitute Low Product List  |
| <a href="#"><u>Skin Substitute High Product List</u></a> | Skin Substitute High Product List |

### Resources

Center for Medicare and Medicaid Services (CMS), Manual System and other CMS publications and services

Center for Medicare and Medicaid Services (CMS) Integrated Outpatient Code Edit (IOCE)

Center for Medicare and Medicaid Services (CMS) Hospital Outpatient Prospective Payment System (OPPS)

### History

|                   |   |
|-------------------|---|
| <b>6/9/2024</b>   | Policy Version Change<br>State Exceptions Section: Added North Carolina to state exceptions   |
| <b>4/21/2024</b>  | Policy Version Change<br>Attachment Section: Device Dependent Procedure List updated  |
| <b>2/12/2024</b>  | Policy Version Change<br>State Exceptions Section: Added Indiana to state exceptions<br>Attachment Section: Device Dependent Procedure List   |
| <b>1/28/2024</b>  | Policy Version Change<br>Attachment Section: Device Dependent Procedure List, Device Dependent Devices List, Skin Substitute Low Product Policy List, and Skin Substitute High Product Policy Lists Updated   |
| <b>11/12/2023</b> | Policy Version Change<br>State Exceptions Section: New Jersey Removed   |
| <b>10/15/2023</b> | Policy Version Change<br>State Exceptions Section: Kentucky and Tennessee Removed<br>Attachment Section: Skin Substitute Low Product Policy List Updated and Skin Substitute High Product Policy List Updated |
| <b>8/1/2023</b>   | Policy implemented by UnitedHealthcare Community Plan   |

**4/25/2023**

Policy approved by Reimbursement Policy Oversight Committee