

Medicare Jurisdiction A/B PSC and Region A & B Councils

Meeting Notes

April 4, 2007

8:30 am EST

Teleconference

DISCLAIMER:

THE NOTES FROM THE MEETING ARE NOT OFFICIAL FROM THE PSC. THE NOTES ARE ONLY THE REGION A & B COUNCIL'S INTERPRETATION OF THE INFORMATION DISCUSSED AND THE COUNCIL SHALL NOT BE HELD RESPONSIBLE FOR PROVIDERS USE. INTERPRETATIONS CAN NOT BE USED TO PROTECT THE PROVIDER IN THE CASE OF AN AUDIT DISCREPANCY.

Present: Dr. Hughes, Karen Grasso, Laraine Forry, Georgie Blackburn, Missy Cross, Debbie Holman, Paula Koenig, Cindy Folk, Tom Heinrich, Asela Cuervo, John Shirvinsky, Carol Napierski, Linda Clay, Kimberlie Rogers-Bowers, Gloria Murray, Lee Zimone and Rose Schafhauser.

Meeting started at 8:36 EST.

Meeting notes typed by Rose Schafhauser.

The following were updates from Dr. Hughes and questions from the council members:

1. Medtrade Fall in Orlando, Florida, October 2-, 2007: Dr. Hughes will be going .Laraine Forry will work on getting a date scheduled for a council meeting.
2. Policies update: Dr Hughes reported that he has not heard much on the nebulizer policy that went out. They are currently working on converting policies that will need to be approved by the DME MAC. There are 26 more and would expect to be done in June.
3. KX modifier: The issues with hospital beds and the KX modifier have sparked questions. Work has been done on the policy modifiers for upgrades (GA, GZ, GK & GL) to allow for down coding (the Change Request (CR) 5367, was posted on 12-22-06, effective 4-1-07, and is located at <http://www.cms.hhs.gov/Transmittals/Downloads/R1142CP.pdf>). Look for a revision to the hospital bed policy to have instructions on how to handle the various situations. Karen Grasso, Jurisdiction A, indicates they did a Q & A on the KX modifier that was published by the outreach team (enclosed at the end of these notes). This information is accurate the way the policies and instructions are now. Read FAQ and it should be clearer. **Note: this information was forwarded to Jurisdiction B to review if they would agree and publish.**
 - a. CMS is to develop multiple modifiers to indicate qualification at the various levels. This issue has been a problem since the CMNs went away. Dr. Hughes hopes to have 5 new modifiers by July.
4. Audits: The PSC is continuing the audit for Parenteral and Negative Pressure Wound Therapy; surgical dressings are coming up; glucose monitor's; therapeutic shoes for diabetic; some wheelchair audits going on and will continue in B; and hospital beds. The difference in utilization between Jurisdictions A & B continues to be interesting. Seems to be differences of the level of understanding the responsibilities of gathering documentation – medical records vs. supplier records. Not nearly in depth with B as it is within A.
 - a. It was asked what kind of education is being done to address this? Dr Hughes responded that they have drafted some response that focus on what the outcome of the audits and the appeals process were. There are no specific instructions.
 - b. It was asked that if a provider has had a patient who went through a front end parenteral audit and passed, are now going through another one. Dr Hughes responded that if a monthly audit

had been done (i.e. rentals, Parenteral supplies, etc.) in January and again in March – this should not happen. Give the MAC examples of this happening.

5. Questions submitted: Dr. Hughes indicated that most of the questions are basic education questions. These questions should be sent to the POE for response and they will involve him when needed. Dr Hughes will not put responses in writing; this is not what this meeting is about. A few questions submitted were addressed:

a. CMS removed the requirement for TPN to be recertified at 6 months "effective 1/1/07." This is for all claims after 1-1-07 regardless of the situation.

b. PMD POLICY: An Expandable Controller may be billed separately and can be implemented on a power chair more inexpensively at the onset. **With requisite documentation, could an Expandable Controller be considered for payment through ADMC when the beneficiary has a progressive illness...just as certain positioning systems may be considered?**

Response: the issue is as people get sicker with progressive diseases the original base may not be able to handle them in the future. The provision was made as the additional items and features are needed they can be provided when medical necessary to the base will be able to accommodate them. What they see in some cases is the whole package is provided today for what they will need in the future gets ordered up front and not when needed.

The comment was made that adding expandable controller up front is not as expensive as when if it is provided after the fact. Dr. Hughes will talk to Dr. Oleck – may consider controller as part of the base. Georgie Blackburn to remind him.

Meeting concluded at 9:39 EST.

NHIC, Corp.
DME MAC A ListServe

Mar 30, 2007

Hospital Beds and Accessories LCD KX Modifier Frequently Asked Questions

The most recent revision of the LCD for Hospital Beds and Accessories, effective date of January 1, 2007, states "Beginning with dates of service on or after 3/1/07, suppliers must add a KX modifier to a code only if all of the criteria in the "Indications and Limitations of Coverage and/or Medical Necessity" section of this policy have been met. If the requirements for the KX modifier are not met, the KX modifier must not be used."

The following are some frequently asked questions and answers regarding use of the KX modifier when billing codes for hospital beds and accessories:

General:

Question 1: Does the KX modifier need to be added to all HCPCS codes billed within the LCD, including both the hospital beds and accessories?

Answer 1: Yes, since the LCD does not exclude the addition of the KX modifier to any of the codes, the KX modifier should be added to all codes billed within the LCD. This clarification will be included in the next revision of the LCD.

Question 2: If the physician orders an E0260 and the beneficiary only qualifies for an E0250, should a KX modifier be placed on the claim for the E0260? If not, will the claim be auto denied?

Answer 2: With the elimination of the CMN and implementation of the KX modifier usage within the LCD, there is no longer a mechanism to determine the appropriate downcode (other than for total electric beds as stated within the LCD). Hospital bed codes billed without a KX modifier will be denied not medically necessary.

Total Electric Beds:

Question 1: The provider, for inventory purposes or at patient request provides a full electric bed and adds a GL modifier to denote a free upgrade. In this case, should they just add the KX if they have documentation for the ordered product?

Answer 1: That is correct. The KX modifier must be added to the HCPCS code for the hospital bed if documentation is on file to support medical necessity of the item ordered. As stated in the LCD, "suppliers must add a KX modifier to a code only if all of the criteria in the "Indications and Limitations of Coverage and/or Medical Necessity" section of this policy have been met. If the requirements for the KX modifier are not met, the KX modifier must not be used."

Question 2: The physician orders a full electric bed and the provider supplies it to the patient and bills the E0265. The full electric bed is noncovered per policy and is down coded to the appropriate code, typically an E0260. Is it appropriate to add the KX modifier to the E0265, knowing that it is noncovered and will be down coded?

Answer 2: The KX modifier must be applied to the HCPCS code for the total electric bed "if all of the criteria in the "Indications and Limitations of Coverage and/or Medical Necessity" section of this policy have been met. If the requirements for the KX modifier are not met, the KX modifier must not be used."

If billed appropriately, the claims processing system will automatically downcode the total electric bed to the least costly medically appropriate alternative as indicated in the following reference from the LCD.

"A total electric hospital bed (E0265, E0266, E0296, and E0297) is not covered; the height adjustment feature is a convenience feature. Total electric beds will be paid as the least costly medically appropriate alternative for the comparable semi-electric bed (E0260, E0261, E0294, and E0295)."