

## Understanding Global Surgery Rules

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## Financial Disclosure

Donna McCune is a consultant for Corcoran Consulting Group and acknowledges a financial interest in the subject matter of this presentation.



## Course Objectives

- Distinguish between major and minor procedures
- Explain the various edits and indicators for surgical services
- Describe the global surgery coding and reimbursement rules



## Does Insurance Cover Surgery?

- YES
  - For medically necessary procedures
    - Diagnosis / treatment of disease
    - Failure of other therapies
    - Good prognosis
    - Tolerable risks
    - Patient awareness
  - Adhere to payment rules
- NO
  - For non-covered procedures
    - Cosmetic surgery
    - Refractive surgery (LASIK, LRI)
    - Astigmatism-correcting IOL
    - Presbyopia-correcting IOL
  - Patient pay
  - Use waiver, ABN, NEHB
  - Patient pays



## Covered vs Non-covered

### Covered

- Statute or law (SSA)
- Regulation (CMS)
- Contract (3<sup>rd</sup> party payer)

### Non-covered

- Excluded by statute
- Limitations by regulation
- Limits imposed by contract



## Top 10 Ophthalmic Procedures Medicare Utilization Patterns Ophthalmology (18)

Rank	CPT	Procedure	Rank	CPT	Procedure
1	67028	Intravitreal Injection	6	66982	Complex Cataract
2	66984	Cataract w/IOL	7	65855	Lx Trabeculoplasty
3	66821	YAG capsulotomy	8	15823	Blepharoplasty
4	68761	Punctum plug	9	67210	Focal Laser
5	67820	Epilation	10	66761	Laser PI

Source: CMS data 2013, 18 - Ophthalmology



## Common Ophthalmic Surgery Medicare Utilization Patterns (18 - Ophthalmology)

CPT	Procedure	λ	CPT	Procedure	λ
67028	Intravitreal injection	12%	68761	Punctum plugs	1%
66984	Cataract & IOL	9%	67228 67210	Retina laser	1%
66821	YAG	3%	67820	Epilation	1%
66761 65855	Glaucoma laser	1%	15823	Blepharoplasty	1%

Frequency is per 100 office visits (%) on Medicare beneficiaries  
Source: CMS data (2013), 18 – Ophthalmology



## Global Surgery Concept

- Established in 1992
- Single fee for pre-op, intra-op, and post-op services
- Certain services included and excluded
- Established rules for major and minor surgeries



## Changes to Global Packages

- Transition of 10 and 90-day global packages to 0-day global packages
- Medically reasonable and necessary visits billed separately
- Transition for 10-day codes to occur in 2017
- Transition for 90-day codes to occur in 2018

Source: ASCRS Regulatory Alert, 10/31/14; CMS Fact sheet 10/31/14



## Major Surgery

- **INCLUDED** in the global surgery package:
  - Subsequent to the decision for surgery, pre-operative care by surgeon (1 day before, or day of surgery, including H&P)
  - Intra-operative services and supplies
  - 90-days postop care related to surgery
  - Care for complications (*except in O.R.*)
  - Incidental services and supplies
  - Anesthesia administered by the surgeon

Source: MCPM, Chapter 12, §40.1A



## Major Surgery

- **EXCLUDED** from the global surgery package:
  - Exam to identify need for surgery (-57)
  - Diagnostic tests
  - Care by another doctor (*i.e.*, not in group)
  - Unrelated care (*e.g.*, fellow eye) (-24, -79)
  - Prosthetic devices, some supplies
  - Complications involving re-operations (-78)
  - Staged procedures (-58)

Source: MCPM, Chapter 12, §40.1B



## Incidental Procedures

- Anesthesia administered by surgeon
- Procedures carried out as an integral component of a total service
- Intraoperative injections
- Suture removal in postop
- Unplanned injections during postop period



## Group Practice

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### Physicians in Group Practice

*“When different physicians in a group practice participate in the care of the patient, the group bills for the entire global package if the physicians reassign benefits to the group. The physician who performs the surgery is shown as the performing physician.”*

Source: MCPM Ch 12 §40.2A2



## Treating Complications

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- Group Practice – Included in global package
  - Cataract surgery retinal complication
    - Retinal consultation
    - Office visits
    - Minor procedures
- Group Practice – Separately billable
  - Cataract surgery retinal complication
    - Diagnostic tests
    - Return to OR
    - Injected medication (Kenalog)



## Postoperative Complications

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Medicare global surgical package does not include:

*“Treatment for postoperative complications which require a return trip to the operating room (OR)”*

Source: MCPM Ch 12 §40.1B



## Operating Room

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Definition of an OR

*“An OR for this purpose is defined as a place of service specifically equipped and staffed for the sole purpose of performing procedures. The term includes a cardiac catheterization suite, a laser suite, and an endoscopy suite. It does not include a patient's room, a minor treatment room, a recovery room, an intensive care unit...”*

Source: MCPM Ch 12 §40.1B



## Coverage Policies Vary

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- Medicare's policies are not universal
- Local policies differ from place to place
- Policies change from time to time
- Basis for coverage vary
- **IMPORTANT:** Monitor payers' websites frequently



## Criteria for Cataract Surgery

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- Objective evidence of a cataract
- Reduced visual acuity
- Lifestyle complaints
- Good prognosis for improvement
  - Alternate – to aid in treatment of retina
- Patient can tolerate anesthesia
- Patient awareness

Source: AAO Preferred Practice Pattern, Adult Cataract



## Medicare Coverage Policy – Example

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The patient has impairment of visual function due to cataract(s) and the following criteria are met and clearly documented:

- Decreased ability to carry out activities of daily living including (but not limited to): reading, watching television, driving, or meeting occupational or vocational expectations; and
- The patient has a best corrected visual acuity of 20/50 or worse at distant or near; or additional testing shows one of the following:
  - Consensual light testing decreases visual acuity by two lines, or
  - Glare testing decreases visual acuity by two lines

Source: NGS LCD L26853



## Medicare Coverage Policy – Example

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- Medicare coverage for cataract extraction with Intraocular Lens implant (IOL) is based on services that are reasonable and medically necessary for the treatment of beneficiaries who have a cataract. Cataract patients must have an impairment of visual function due to cataract(s) resulting in the decreased ability to carry out activities of daily living such as reading, viewing television, driving or meeting occupational or vocational expectations, with further annotation of the following bulleted indications: The patient has been educated about the risks and benefits of cataract surgery and the alternative to surgery, and has provided informed consent.
- The patient has undergone a formal measure that documents the patient's inability to function satisfactorily due to visual impairment while performing various Activities of Daily Living. The impairment must be documented in a printed form signed by the patient. The questionnaire must be maintained in the patient's medical record and be available upon request.

Source: Novitas LCD L32690



## Medical Necessity

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- Patient survey
  - Activities of daily vision scale
  - VF-14
  - Pre-surgical questionnaire



## Document Failure of Medication

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- Patient non-compliance
  - Lifestyle
  - Financial
  - Personality
- Patient contraindications
  - Health issues
  - Other medications
- Failure of medication



## Operative Reports

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- Preop and postop diagnoses
- Indications for surgery
- Description of surgery
- Discharge instructions



## Minor Procedure

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- What is a "minor" procedure?
  - Short postoperative period - 0 or 10 days

Examples:

Intravitreal injection	0 days
FB removal	0 days
Laser trabeculoplasty	10 days
Peripheral iridotomy	10 days
Punctal occlusion w/ plugs	10 days

Postop Period:

Source: MCPM, Chapter 12, §40.1C



## Common Minor Eye Surgeries Medicare Utilization Patterns Ophthalmology (18)

CPT	Procedure	λ
67028	Intravitreal injection	12.2%
68761	Punctum occlusion, plug	1.4%
67820	Epilation, forceps	1.0%
65855	Laser trabeculoplasty	0.7%

Frequency is per 100 office visits (%) on Medicare beneficiaries  
Source: CMS data (2013), 18 – Ophthalmology



## Minor Surgery Key Points

- Require sufficient chart documentation
- Subject to a global surgery package
- They have short postop periods (0, 10 days)
- Generally, includes the exam on the same day
  - Exception – exams for another reason unconnected with the minor procedure (needs modifier -25)



## Office Visit & Minor Procedure

“CPT Modifier 25 – Significant Evaluation and Management Service By Same Physician On Date of Global Procedure

Pay for an evaluation and management service provided on the day of a procedure with a global fee period if the physician indicates that the service is for a significant, separately identifiable evaluation and management service that is above and beyond the pre- and post-operative work of the procedure.”

Source: MCPM, Chapter 12, §40.2.A8



## Office Visit & Minor Procedure

“Evaluation and Management Service Resulting in the Initial Decision to Perform Surgery

*...where the decision to perform the minor procedure is typically done immediately before the service, it is considered a routine preoperative service and a visit or consultation is not billed in addition to the procedure.”*

Source: MCPM, Chapter 12, §40.2A4



## Medicare Expected Frequency

- Modifier -24                      2%
  - Modifier -25                      12%
  - Modifier -57                      1%
- Based on Medicare paid claims for office visits (920xx, 992xx)
  - Considers all ophthalmologists, not just retina
  - Subspecialists' utilization likely varies
  - Requires supportive documentation

Source: CMS data (2013), 18 – Ophthalmology



## Modifier -25

- Use modifier -25
- Don't use modifier -25

Est. patient with ≥2 problems

- OD vs. OS
- Anterior vs. posterior seg
- Eye vs. systemic dx
- Multiple eye conditions

Decision for surgery

Only one reason for exam

Special case - new patients



## Laser Surgery

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- Cornea – 65450
- Anterior chamber – 65855
- Iris, Ciliary Body – 667xx
- Lens – 66821
- Retina – 67xxx
- Eyelids – 678xx, 679xx
- Conjunctiva – 68135
- Lacrimal – 68760



## Laser Surgery

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- 65855 – Laser trabeculoplasty (10 day)
- 67221 – Ocular photodynamic therapy (0 day)
- 68760 – Closure of lacrimal puncta by laser (10 day)



## Laser Surgery Multiple Treatments

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- “...one or more sessions (defined treatment series)”
- One charge for the total procedure
  - PRP
  - Re-treatments



## Laser Reports

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- Indications
- Preop medications
- Type of laser, wavelength
- Power or energy
- Size and number of applications (spots)
- Duration of laser
- Placement of photocoagulation
- Discharge instructions



## Injections

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- 11900 – Intralesional (*up to/including 7 lesions*)
- 64612 – Chemodenervation (*for blepharospasm*)
- 67028 – Intravitreal
- 67500 – Retrobulbar
- 67505 – Retrobulbar (*alcohol*)
- 67515 – Injection into Tenon’s capsule
- 68200 – Subconjunctival

Source: CPT



## Coverage of Injections

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- Treating a complication of surgery
  - No claim for injection (part of the global surgery package)
  - Claim for medication (Jxxxx)
- Treating primary disease unrelated to surgery
  - Claim for injection
  - Claim for medication (Jxxxx)
- Planned as a staged procedure during postop
  - Claim for injection (-58)
  - Claim for medication (Jxxxx)



## Injected Medications

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- Separate reimbursement for injected medications
- HCPCS codes
- May vary based on amount injected
- Pay attention to units listed in HCPCS description



## Skin Lesion Removal

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- Benign (114xx)
  - Size
  - Usually cosmetic <sup>1</sup>
- Malignant (116xx)
  - Size
  - Pathology report
- Skin tags (11200)
  - 11201 in conjunction with 11200
  - Use ABN when coverage is doubtful

<sup>1</sup> Exception: constantly irritated, obstructs vision, recurrent trauma



## Site of Service Differential

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- Applies to major and minor procedures
- Reduces professional component when procedure is performed outside physician's office
- Reimbursement differential varies by procedure
- If no ASC facility fee exists, no reduction is applied <sup>1</sup>

<sup>1</sup> Place of service is 24 (ASC)

Source: Federal Register Vol 66, No 212, p 55264-5



## NCCI

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- National Correct Coding Initiative
  - Bundles / Mutually exclusive
  - Quarterly publication
- Published at [www.cms.gov/physicians/cccredits/](http://www.cms.gov/physicians/cccredits/)



## NCCI Edits

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Procedure	Bundles
66984	00142 00144 36000 36410 37202 62318 62319 64415 64416 64417 64450 64470 64475 64400 64402 65426 65750 65755 65772 65775 65805 65810 65850 65860 65865 65870 65875 65880 66020 66030 66250 66500 66505 66600 66605 66625 66630 66635 66680 66820 66821 66825 67005 67010 67500 67505 67515 67715 68200 69990 90780



## Medically Unlikely Edits (MUEs)

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- Automated prepayment edits designed to prevent inappropriate reimbursement

*“An MUE is a maximum number of Units of Service (UOS) allowable under most circumstances for a single Healthcare Common Procedure Coding System / Current Procedural Terminology (HCPCS / CPT) code billed by a provider on a date of service for a single beneficiary.”*

Source:  
<http://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/MUE.html>



## Medically Unlikely Edits (MUEs)

- MUEs were inaugurated in 2007
- Date of Service (DOS) MUEs implemented April 1, 2013

*“The total units of service (UOS) from all claim lines for a HCPCS / CPT code with the same date of service will be summed and compared to the MUE value.”*

Source:  
<http://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/MUE.html>



## Medically Unlikely Edits (MUEs)

- Table on CMS website
- Updated quarterly
- Example – 67820 *Correction of trichiasis; epilation, by forceps only*

HCPCS/CPT Code	Practitioner Services MUE Values
67820	1

Source:  
<http://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/MUE.html>



## Claim Example

- Epilation on both left and right lower eyelids
- Claim is paid; does not “violate” the MUE limit of “1”

z1 1. 374.05 (Trichiasis of eyelid without entropion)					
24a	24b	24d	24e	24f	24g
mm/dd/yyyy	11	67820-50 (Epilation)	1	\$\$\$	1



## Claim Example

- Epilation on both left and right lower eyelids
- Claim is denied; “violates” the DOS MUE limit of “1”

z1 1. 374.05 (Trichiasis of eyelid without entropion)					
24a	24b	24d	24e	24f	24g
mm/dd/yyyy	11	67820-RT (Epilation)	1	\$\$\$	1
mm/dd/yyyy	11	67820-LT (Epilation)	1	\$\$\$	1



## Surgery Rules Quiz



## Bill during postop Yes? or No?

Your patient had cataract surgery OD one week ago. Today, you find an allergic reaction to the postop meds. May you bill for this visit during the postop period?





**Bill during postop Yes? or No?**

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Your patient had cataract surgery OD one week ago. Today, you find marked reduction in VA. Your partner, a retina specialist, sees the patient, diagnoses CME and prescribes meds. May your partner bill for this visit during the postop period?



**Modifier -25 Yes? or No?**

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Your patient had an eye exam one year ago for new glasses. Today, he complains of pain and FB sensation. During your slit lamp exam, you find a FB and remove it. The rest of the exam is unremarkable. Does modifier -25 apply?



**Modifier -25 Yes? or No?**

---

Your patient returns for a Plaquenil checkup. Today, he complains of chronic FB sensation. During your slit lamp exam, you find keratitis sicca from Sjogren's syndrome. You perform punctal occlusion of LLL and RLL. Fundus exam is unremarkable. Does modifier -25 apply?



**Modifier -25 Yes? or No?**

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Your patient returns for reevaluation of AMD OD. You examine only OD, find exudative AMD and perform intravitreal injection with Avastin in the OD today. Does modifier -25 apply?



**Testing Yes? or No?**

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Your patient had laser surgery for a retinal break 2 weeks ago. Today, during the postop visit, fundus photos were taken of the retinal repair. May you be reimbursed for these photos within the postop period?



**Laser Surgery**

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Your patient had PRP in the OD 7 days ago. Today, you perform additional PRP in the same eye. How do you bill for today's laser procedure?

- a) 67040 – Vitrectomy with endo PRP
- b) 67210 – Focal laser
- c) 67228 – PRP
- d) Do not bill



# ANSWER KEY

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## Surgery Rules Quiz

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## Bill during postop Yes? or No?

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Your patient had cataract surgery OD one week ago. Today, you find an allergic reaction to the postop meds. May you bill for this visit during the postop period?

**No**

Care for complication not involving return to OR.



## Bill during postop Yes? or No?

---

Your patient had cataract surgery OD one week ago. Today, you find marked reduction in VA. Your partner, a retina specialist, sees the patient, diagnoses CME and prescribes meds. May your partner bill for this visit during the postop period?



## Bill during postop Yes? or No?

---

Your patient had cataract surgery OD one week ago. Today, you find marked reduction in VA. Your partner, a retina specialist, sees the patient, diagnoses CME and prescribes meds. May your partner bill for this visit during the postop period?

**No**

Care for complication not involving return to OR by a member of the group.



## Modifier -25 Yes? or No?

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**No**

Decision for surgery. Only one problem.



**Modifier -25 Yes? or No?**

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**Yes**

≥2 problems. Eye vs. systemic dx. Anterior vs. posterior segment.



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Your patient returns for reevaluation of AMD OD. You examine only OD, find exudative AMD and perform intravitreal injection with Avastin in the OD today. Does modifier -25 apply?



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**Testing Yes? or No?**

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### Testing Yes? or No?

---

Your patient had laser surgery for a retinal break 2 weeks ago. Today, during the postop visit, fundus photos were taken of the retinal repair. May you be reimbursed for these photos within the postop period?

**No**

Photos of the repair are not considered diagnostic or medically necessary



### Laser Surgery

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- a) 67040 – Vitrectomy with endo PRP
- b) 67210 – Focal laser
- c) 67228 – PRP
- d) Do not bill



### Laser Surgery

---

Your patient had PRP in the OD 7 days ago. Today, you perform additional PRP in the same eye. How do you bill for today's laser procedure?

- d) Do not bill

“One or more sessions” rule applies



### More help...

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For additional assistance or confidential consultation, please contact us at:

(800) 399-6565

or

[www.CorcoranCCG.com](http://www.CorcoranCCG.com)

