

Reimbursement & Coding Guidelines

FOR DRUG-ELUTING STENTS

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Medicare Hospital Inpatient Reimbursement

Effective April 1, 2003*, Centers for Medicare and Medicaid Services (CMS) has created two new, higher paying Diagnosis Related Groups (DRGs 526 and 527) that are specific to drug-eluting coronary stents.ⁱ Prior to this date, drug-eluting stents will be assigned to the same DRGs as bare stents, DRG 516 & 517. A comparison of the payment rates for these DRGs in FY 2003 follows:

Example 1:

	FY 2003ⁱ
	Incremental Standard Payment
DRG 526 vs. 516 (<u>with</u> Acute Myocardial Infarction)	\$ 1,800
DRG 527 vs. 517 (<u>without</u> Acute Myocardial Infarction)	\$ 1,700

The standard payment for bare metal stents DRGs (516 & 517) increased by \$210 and \$430 respectively between FY 2002 and FY 2003. Therefore, from a budgeting perspective, it may also be important for hospitals to consider the difference in the standard payment rates for bare metal stents in FY 2002 vs. the rate for drug-eluting stents in FY 2003.

Example 2:

	FY 2003 vs. FY 2002^{i,ii}
	Incremental Standard Payment
DRG 526 vs. 516 (<u>with</u> Acute Myocardial Infarction)	\$ 2,000
DRG 527 vs. 517 (<u>without</u> Acute Myocardial Infarction)	\$ 2,100

The average hospital with an interventional cardiac catheterization laboratory will receive adjustments to the standard payment rate due to geographic location (wage index), teaching status (IME) and share of charity cases (DSH). These adjustments will increase the standard payments by an average of 20-22%.

Example 3:

	FY 2003 vs. FY 2002^{i,ii}
	Incremental Standard Payment With Adjustments
DRG 526 vs. 516 (<u>with</u> Acute Myocardial Infarction)	\$ 2,400
DRG 527 vs. 517 (<u>without</u> Acute Myocardial Infarction)	\$ 2,600

Medicare Hospital Inpatient Reimbursement (cont'd)

Notes:

The new DRGs (526 & 527) for drug-eluting stents include the cost of a bare metal stent X the national average number of stents per patient. Since all other hospital costs are expected to remain the same, the incremental payments are intended to compensate the hospital for the additional cost of drug-eluting stents.

Some hospitals will receive significantly more reimbursement, and some, less reimbursement than the three examples shown above. Therefore, the specific drug-eluting stent reimbursement (standard payment + adjustments) should be calculated by each hospital.

* DRGs 526 & 527 will become effective on April 1, 2003 if FDA approval is received by that date or, if not, then at the time of FDA approval.

i. Federal Register, Vol. 67, No. 148, dated August 1, 2002

ii. Federal Register, Vol. 66, No. 148, dated August 1, 2001

Disclaimer – The information contained in this bulletin is provided to assist you in understanding the reimbursement process. It is intended to help providers in accurately obtaining reimbursement for health care services. It is not intended to increase or maximize reimbursement by any payer. We strongly suggest that you consult your payer organization with regard to local reimbursement policies. The information contained in this document is provided for information purposes only and represents no statement, promise or guarantee by Cordis Corporation concerning levels of reimbursement, payment or charge.

Medicare Coding and Reimbursement

Hospital Inpatient Codingⁱ

Effective October 1, 2002, the Centers for Medicare and Medicaid Services (CMS) has created a new ICD-9 code to describe drug-eluting coronary artery stent procedures:

ICD-9 code 36.07, insertion of drug-eluting coronary artery stent(s).

To assure that patient claims are assigned to the correct DRG, ICD-9 Code 36.07 must be used in combination with the ICD-9 code used to describe balloon angioplasty.

(See table below)

Description	ICD-9 Code
Single vessel PTCA <u>without</u> thrombolytic agent	36.01
+	+
Insertion of drug-eluting stent(s)	36.07
Single vessel PTCA <u>with</u> thrombolytic agent	36.02
+	+
Insertion of drug-eluting stent(s)	36.07
Multiple vessel PTCA <u>with or without</u> thrombolytic agent	36.05
+	+
Insertion of drug-eluting stent(s)	36.07

Note: ICD-9 code 36.06 should be used to describe the implantation of heparin-coated or bare metal stents.

Hospital Inpatient Reimbursementⁱ

Effective April 1, 2003*, CMS has created two new, higher paying Diagnosis Related Groups (DRGs 526 and 527) that are specific to drug-eluting coronary stents.

DRG	Description	DRG Relative Weight
526	Percutaneous Cardiovascular Procedure with Drug-eluting Stent <u>with</u> Acute Myocardial Infarction (AMI)	3.1176
527	Percutaneous Cardiovascular Procedure with Drug-eluting Stent <u>without</u> Acute Myocardial Infarction (AMI)	2.5342

Beginning October 1, 2002, hospitals are instructed to use ICD-9 code 36.07 to describe drug-eluting coronary stents (See coding instructions above). Prior to April 1, 2003 (or date of FDA approval if this occurs later than April 1, 2003) this code will be assigned to either DRG 516 or 517 depending upon the presence or absence of an acute myocardial infarction.

Medicare Coding and Reimbursement (cont'd)

Hospital Outpatient Coding (Proposed) ⁱⁱ

Effective January 1, 2003, CMS has proposed the creation of two new codes to describe drug-eluting stents.

<u>Description</u>	<u>Outpatient Code</u>
Transcatheter placement of a drug-eluting intracoronary stent(s), percutaneous, with or without other therapeutic intervention, any method; single vessel .	G0NNN
Transcatheter placement of a drug-eluting intracoronary stent(s), percutaneous, with or without other therapeutic intervention, any method; each additional vessel .	G0000

Hospital Outpatient Reimbursement (Proposed) ⁱⁱ

CMS has proposed the creation of a new Ambulatory Payment Classification (APC 0656) that is specific to drug-eluting coronary stents. CMS is scheduled to publish their final decision on or before November 1, 2002. Assuming that there are no changes, the APC will become effective on April 1, 2003 if FDA approval is received by that date. If approval is not received by that date, the APC will become effective on the date of FDA approval.

Between January 1, 2003 and March 30, 2003, drug-eluting stent procedures will be assigned to the existing APC for bare metal coronary stents, APC 0104. CMS has not yet published the codes that hospitals are to use to describe drug-eluting stent procedures performed prior to April 1, 2003. This information will be published in the Federal Register (Final Rule) on or before November 1, 2002.

<u>APC</u>	<u>Description</u>	<u>Status Indicator</u>	<u>Payment Rate</u>
0656	Transcatheter Placement of Drug-eluting Coronary Stents	T	\$4,928

Physician Coding and Payment ⁱⁱⁱ

Physicians should use the same CPT codes(s) to describe the implantation of drug-eluting stents as they currently use for bare metal stents (See table below).

<u>CPT Code</u>	<u>Description</u>	<u>National Average Payment Rate 2002</u>
92980	Transcatheter placement of intracoronary stent(s), percutaneous, with or without other therapeutic intervention, any method; single vessel .	\$790
92981	Transcatheter placement of intracoronary stent(s), percutaneous, with or without other therapeutic intervention, any method; each additional vessel . (List separately in addition to code for primary procedure)	\$222

Documentation

It is critical for the operative notes to clearly state which type of coronary stent was implanted: **drug-eluting**, **heparin-coated** or **bare metal stent**. This will assist the hospital's coding staff in choosing the correct code(s) to describe the procedure and assure that the patient claim is assigned to the appropriate DRG for payment.

Notes:

* DRGs 526 & 527 will become effective on April 1, 2003 if FDA approval is received by that date or, if not, then at the time of FDA approval.

- i. Federal Register, Vol. 67, No. 148, dated August 1, 2002
- ii. Federal Register, Vol. 67, No. 154, dated August 9, 2002
- iii. Federal Register, Vol. 66, No. 212, dated November 1, 2001

CPT codes and nomenclature are Copyright 2001 American Medical Association

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Reimbursement Hot Line

Cordis is pleased to introduce a **Reimbursement Hot Line** to answer your questions about Medicare's new coding and reimbursement policies for drug-eluting stents.

Hot Line Phone: 1-877-297-4371

E-mail Address: CordisHotLine@prgweb.com

Notes:

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