New and Evolving Payer Guidelines for Cataract Surgery

Kirk A. Mack, COMT, CPC, COE, CPMA
Senior Consultant
Corcoran Consulting Group

Financial Disclosure
Kirk A. Mack is a Senior Consultant with Corcoran Consulting Group and acknowledges a financial interest in the subject matter of this presentation.

Outline
1. Trends
2. Coverage criteria
3. Lifestyle questionnaires
4. Considerations for fellow eye
5. Complex cataract surgery
6. Non-covered services

Cataract Surgery

US Cataract Surgery

Top 2 Cataract Surgeries
Premium IOL Utilization

Outline

1. Trends
2. Coverage criteria

Criteria for Cataract Surgery

- 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

Covered by Insurance?

<table>
<thead>
<tr>
<th>Covered</th>
<th>Not covered</th>
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</thead>
<tbody>
<tr>
<td>Eye exam</td>
<td>Refraction</td>
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<td>Biometry</td>
<td>Tests for ammetropia</td>
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<tr>
<td>Surgery and postop</td>
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<td>Conventional IOL</td>
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<td>Facility fee</td>
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<td>Anesthesia</td>
<td>Extended postop care</td>
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Covered vs. Non-covered

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<td>Excluded by statute(s)</td>
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<tr>
<td>Regulation (CMS)</td>
<td>Limitations of regulation(s)</td>
</tr>
<tr>
<td>Contract (3rd party payer)</td>
<td>Limits imposed by contract</td>
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<tr>
<td>Follow insurance rules</td>
<td>Patient pay</td>
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Social Security Act – Medicare Exclusions

“...no payment may be made under Part A or Part B for any expenses incurred for items or services...where such expenses are for cosmetic surgery or are incurred in connection therewith, except as required for the prompt repair of accidental injury or for improvement of the functioning of a malformed body member”

Source: Social Security Act §1862(a)(10) Exclusions from Medicare

Exam & Testing: NCD §10.1

“In most cases, a comprehensive eye exam (ocular history and ocular examination) and a single scan to determine the appropriate pseudophakic power of the IOL are sufficient. In most cases involving a simple cataract, a diagnostic ultrasound A-scan is used. For patients with dense cataract, an ultrasound B-scan may be used.”

Exam & Testing: NCD §10.1

“Accordingly, where the only diagnosis is cataract(s), Medicare does not routinely cover testing other than one comprehensive eye exam (or a combination of a brief/intermediate examination not to exceed the charge of a comprehensive examination) and an A-scan, or if medically justified, a B-scan. Claims for additional diagnostic tests are denied as not reasonable and necessary unless there is an additional diagnosis and the medical need for the tests is fully documented.”

National Coverage Determination §80.8

“When a presurgical examination for cataract surgery is performed...if the only visual problem is cataracts, endothelial cell photography is covered as part of the presurgical comprehensive eye examination... and not in addition to it.”

Medicare Coverage Policy – CGS

Medicare coverage for cataract extraction and cataract extraction with intraocular lens implant is based on services that are reasonable and medically necessary for the treatment of beneficiaries who have a cataract, and who meet all of the following criteria:
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

Source: CGS LCD L33954 (Revised 11/01/2016)

Medicare Coverage Policy – CGS

• 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
• The patient has determined that he/she is no longer able to function adequately with the current visual function; and

Source: CGS LCD L33954 (Revised 11/01/2016)
• Other eye disease(s) including, but not limited to macular degeneration or diabetic retinopathy, have been ruled out as the primary cause of decreased visual function; and

• Significant improvement in visual function can be expected as a result of cataract extraction; and

• The patient has been educated about the risks and benefits of cataract surgery and the alternative(s) to surgery (e.g., avoidance of glare, optimal eyeglass prescription, etc.); and

Medicare Coverage Policy – CGS

• The patient has undergone an appropriate preoperative ophthalmologic evaluation that generally includes a comprehensive ophthalmologic exam and ophthalmic biometry.

For patients with a best corrected visual acuity of 20/40 or better, cataract extraction will be considered if all other criteria have been met and there is substantial documentation of the medical necessity of the procedure for that patient.

Medicare Coverage Policy – CGS

• CGS Highlights
  • Compromised ADLs
  • BCVA 20/50 or worse
  • Glare testing reduces BCVA by 2 lines

Medicare Coverage Policy – Palmetto

Lens extraction is considered medically necessary and therefore covered by Medicare when one (or more) of the following conditions or circumstances exists:

1. Cataract causing symptomatic (i.e., causing the patient to seek medical attention) impairment of visual function not correctable with a tolerable change in glasses or contact lenses resulting in specific activity limitations and/or participation restrictions including, but not limited to reading, viewing television, driving, or meeting vocational or recreational needs

2. Concomitant intraocular disease (e.g., diabetic retinopathy or intraocular tumor) requiring monitoring or treatment that is prevented by the presence of cataract

3. Lens-induced disease threatening vision or ocular health (including, but not limited to, phacomorphic or phacolytic glaucoma)

4. High probability of accelerating cataract development as a result of a concomitant or subsequent procedure (e.g., pars plana vitrectomy, iridocyclectomy, procedure for ocular trauma) and treatments such as external beam irradiation

Medicare Coverage Policy – Palmetto

5. Cataract interfering with the performance of vitreoretinal surgery

6. Intolerable anisometropia or aniseikonia uncorrectable with glasses or contact lenses exists as a result of lens extraction in the first eye (despite satisfactorily corrected monocular visual acuity)
### Medicare Coverage Policy – Palmetto

- Palmetto Highlights
  - Compromised ADLs
  - Visual function not improved with glasses (Need BCVA)
  - BCVA not stipulated

Source: Palmetto LCD 34413 (Revised 10/01/2016)

### Medicare Coverage Policy – Novitas

Medicare coverage for cataract extraction with IOL implant 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.

Source: Novitas LCD L35091 (Eff 10/01/2015)

### Medicare Coverage Policy – Novitas

- Novitas Highlights
  - Compromised ADLs
  - Formalized process with questionnaire kept in chart
  - Visual function not improved with glasses (Need BCVA)
  - BCVA not stipulated

Source: Novitas LCD L35091 (Eff 10/01/2015)

### Medicare Coverage Policy – Anthem

- Cataract removal surgery in adults is considered medically necessary for any of the following:
  - A. The lens displays signs of cataract formation and the following criteria are met:
    - Visual disability related to reduced visual acuity (Snellen of 20/40 or worse); OR
    - glare testing confirms decreased visual acuity under glare conditions using low light and reduces the visual acuity to a Snellen of 20/60 or worse; AND
    - Surgery is reasonably expected to result in improved visual function.

Source: Anthem BCBS CG-SURG_40 (Eff 06/28/2016)

### Medicare Coverage Policy – Anthem

- B. The individual has an underlying lens-related or other ophthalmologic disease for which cataract removal is indicated, including but not limited to the following:
  - Phacomorphic glaucoma; OR
  - Phacolytic glaucoma; OR
  - Phacoanaphylactic endophthalmitis; OR
  - Dislocated or subluxated lens; OR
  - Angle closure glaucoma; OR
  - Elevated IOP associated with diagnosis of plateau iris configuration; OR
  - Uncontrolled pseudoexfoliation glaucoma.

Source: Anthem BCBS CG-SURG_40 (Eff 06/28/2016)
**Medicare Coverage Policy – Anthem**

- C. Lens removal is needed to allow better visualization of the retina or as a component of another surgical procedure, including, but not limited to the following:
  - Diabetes with diabetic retinopathy requiring photocoagulation management through clear media; **OR**
  - To monitor progression of glaucoma where opaque media limits visualization of the optic nerve or visual field assessment; **OR**
  - Preparation for vitrectomy; **OR**
  - Preparation for surgical repair of retinal detachment.

Source: Anthem BCBS CG-SURG_40 (Eff 06/28/2016)

**Medicare Coverage Policy – Anthem**

- Cataract removal surgery in adults is considered **not medically necessary** when the criteria specified above are not met, or when **either** of the following apply:
  - Glasses or visual aids provide satisfactory functional vision;
  - When the visual function is not compromised by the cataract.

Source: Anthem BCBS CG-SURG_40 (Eff 06/28/2016)

**Medicare Coverage Policy – Anthem**

- **Anthem Highlights**
  - Compromised ADLs
  - BCVA 20/40 or worse
  - Glare testing reduces BCVA to 20/60 or worse (not 2 lines)

Source: Anthem BCBS CG-SURG_40 (Eff 06/28/2016)

**Medicare Coverage Policy – Aetna**

- For members with visual disability with a Snellen Acuity of 20/50 or worse, cataract surgery is considered medically necessary when all of the following subjective, objective, and educational criteria are met:
  - **Subjective** - The member perceives that his or her ability to carry out needed or desired activities is impaired. The member’s decision is based on (i) the member’s own assessment of visual disability (e.g., impact on driving, viewing television, and special occupational or avocational needs) and, in particular, disability at near sight (e.g., reading, occupational activities requiring near vision); and (ii) the member’s perception of the impact of the visual disability on lifestyle (e.g., loss of independence, loss of income).

Source: Aetna_Cataract Removal Surgery_0508_(Rev 07/29/2016)

**Medicare Coverage Policy – Aetna**

- Objective - The best correctable Snellen visual acuity in the affected eye is 20/50 or worse, the eye examination confirms that the cataract is the limiting factor for improving visual function when other factors do not preclude improvement following surgery, and the member’s medical and mental health permits surgery to be performed safely.

Source: Aetna_Cataract Removal Surgery_0508_(Rev 07/29/2016)
**Medicare Coverage Policy – Aetna**

- **Objective** - The member's best correctable Snellen visual acuity is 20/40 Snellen or better in the affected eye, there is a significant loss of visual acuity in bright ambient light, the eye examination confirms that the cataract is the limiting factor for improving visual function when other factors do not preclude improvement following surgery, and the member's medical and mental health should permit surgery to be performed safely.

Source: Aetna Cataract Removal Surgery_0508_(Rev 07/29/2016)

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**Coverage Policies Vary**

- Medicare's policies are not universal
  - BCVA thresholds vary
  - Glare Requirements
  - ADLs – formalized
- Private payer policies differ from payer to payer
  - BCVA
  - Glare impact
- Policies change from time to time
- Basis for coverage vary
- **IMPORTANT:** Monitor payers’ websites frequently

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**Medical Necessity**

- Patient survey
  - Activities of daily vision scale
  - VF-8, VF-14
- Pre-surgical questionnaire

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**Outline**

1. Trends
2. Coverage criteria
3. Lifestyle questionnaires

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**Patient Questionnaire**

List of symptoms: ___________________________

Hindrance to normal activities of daily living: ___________________________

Cataract surgery can almost always be safely postponed until you feel you need better vision. If stronger glasses won’t improve your vision any more, and if the only way to help you see better is cataract surgery, do you feel your vision problem is bad enough to consider surgery now?

YES  NO

Patient’s signature: ___________________________
1. Trends
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4. Considerations for fellow eye

Cataract Surgery on the Second Eye

- The indications for the second-eye surgery are the same as for the first eye. The outcome of surgery on the first eye may affect the timing of the second eye surgery.
- Sufficient time should elapse to diagnose and treat any early postoperative complication such as endophthalmitis, and for the patient and the ophthalmologist to be satisfied with … the first-eye ...

Source: AAO Preferred Practice Pattern, Adult Cataract (2011)

Cataract Surgery on the Second Eye

- Is the patient stable following first cataract surgery?
- Continued complaint?
- New complaint? (e.g., diplopia, imbalance)
- Repeat
  - Documentation of disability
  - Exam that determines need for surgery
  - Informed consent
  - Inside postop period?
  - Use modifier –24 and/or modifier -57

Good Chart Note (First Eye)

CC: Blurred vision
HPI: Difficult seeing road signs while driving OU, constant for several months*
DVA cc: 20/60 OU
MR: –1.50 x 0.75 x 90 = 20/50
     –1.00 x 0.50 x 85 = 20/50
Exam: Healthy cornea and fundus, expect VA ↑, NSC noted OU
Dx: NSC OD > OS
Plan: Schedule Phaco/IOL OD

*ADL Requirement

Poor Note Second Eye

CC: Doing well after first eye
HPI: “No problems”
DVA sc: 20/60 OU
MR: Not done this visit
Exam: No lens findings (or only IOL noted in PO eye)
Dx: Cataract
Plan: Surgery for Cataract

Better Chart Note Second Eye

CC: Re-evaluation of cataract OS, postop check OD, patient notices annoying imbalance between eyes and difficulty walking
HPI: Cataract OS† x 3 yrs², VA poor³ for last 9 mos with annoying imbalance⁴ and some diplopia since first surgery, current glasses no help, glare at night⁵, difficulty with driving⁶
Dx: Cataract OS, Pseudophake OD
Plan: Phaco/IOL OS, Follow PO instructions OD
Medicare Coverage Policy – Example

...the appropriate interval between the first-eye surgery and second-eye surgery is influenced by several factors:
1. The patient's visual needs
2. The patient's preferences
3. Visual function in the second eye
4. The medical and refractive stability of the first eye
5. The need to restore binocular vision and resolve anisometropia
6. An adequate interval of time has elapsed to evaluate and treat early postoperative complications in first eye, such as endophthalmitis
7. Logistical and travel considerations of the patient

Source: Palmetto LCD 34413

Medicare Coverage Policy – Example

Second Eye Surgery
The patient and the ophthalmologist should discuss the benefits, risks, need, and timing of second-eye surgery. Whether at the time of assessment for surgery on the patient’s first eye, or thereafter, the patient must sign a consent for surgery on the second eye.

If assessment for surgery on the second eye is performed after assessment for surgery on the first eye, this may be a compensable service even if performed in the global period of the first eye since it is separate and additional work to post-operative evaluation of the operated eye. However, this A/B MAC would consider the need for a separate service to be rare and must be justified with documentation.

Source: Palmetto LCD 34413

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1. Trends
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5. Complex cataract surgery

Medicare Utilization Patterns Ophthalmology (18)

<table>
<thead>
<tr>
<th>Rank</th>
<th>CPT</th>
<th>Procedure</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>67028</td>
<td>Intravitreal Injection</td>
<td>6</td>
<td>66982</td>
<td>Complex Cataract</td>
</tr>
<tr>
<td>2</td>
<td>66984</td>
<td>Cataract w/IOL</td>
<td>7</td>
<td>65855</td>
<td>Laser Trabeculoplasty</td>
</tr>
<tr>
<td>3</td>
<td>66821</td>
<td>YAG Capsulotomy</td>
<td>8</td>
<td>15823</td>
<td>Blepharoplasty</td>
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<tr>
<td>4</td>
<td>68761</td>
<td>Punctum plug</td>
<td>9</td>
<td>66761</td>
<td>Laser PI</td>
</tr>
<tr>
<td>5</td>
<td>67820</td>
<td>Epilation</td>
<td>10</td>
<td>67210</td>
<td>Focal Laser</td>
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Source: CMS data 2014, 18 - Ophthalmology

Complex Cataract Surgery

66982 – Extracapsular cataract removal with insertion of intraocular lens prosthesis (one stage procedure), manual or mechanical technique (e.g., irrigation and aspiration or phacoemulsification), complex, requiring devices or techniques not generally used in routine cataract surgery (e.g., iris expansion device, suture support for IOL, or primary posterior capsulorhexis) or performed on patients in the amblyogenic developmental stage

Complex vs Conventional

Complex (66982)
- Iris hooks
- Pupil expansion device
- Sutured haptics
- Piggyback IOLs
- Sphincterotomies
- Capsular tension ring
- Primary post. capsulotomy
- Often preplanned

Conventional (66984)
- Extra viscoelastic
- Extra phaco time
- Intracameral meds
- Anterior vitrectomy
CPT 66982 – Complex Cataract Surgery

- CPT Assistant March 2016 response to inquiry regarding use of dye to stain capsule as support for 66982
- “the additional work of instilling and removing Trypan Blue dye from the anterior segment though an additional surgical step does not reach the threshold of physician time, work, or intensity necessary to report the complex cataract code.”
- Some, not all, MACs publish policies supporting use of dye as an indication for 66982

Source: AMA CPT Assistant – March 2016

Complex Cataract Surgery – Capsule staining

Question: Do any Medicare Carriers allow the use of 66982 when staining the capsule of dense or mature cataract?

Answer: Yes. At this time, only four Medicare Administrative Contractors (MACs) allow it:
- Novitas Solutions
- Palmetto GBA
- CGS Administrators
- National Government Services (NGS)

CPT 66982 – Complex Cataract Surgery

- Highlights
  - Review current policies for Medicare and other payers
  - Follow CPT Assistant guidance if policy does not designate capsule staining for 66982

Outline

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6. Non-covered services

Covered versus Non-covered

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Cataract surgery (66984, 66982) includes:
- Corneal incision to permit entry of phaco
- Capsulorrhexis
- Lens fragmentation
- Insertion of an IOL

Since coverage and payment exists for cataract surgery and included services, a separate charge to use the FS laser for these purposes is precluded.

Cataract surgery does NOT include:
- Toric IOL, presbyopia-correcting IOL
- Refractive surgery
  - LRI, CRI, AK, LASIK, PRK
- Use of the FS laser for refractive surgery is not part of cataract surgery. A separate charge to the patient is justified and is not covered.

AAO and ASCRS publish joint guidelines in January 2012.

Limits when charges to patient for FS laser to:
- Refractive lens exchange
- Refractive astigmatic keratometry
- Encourage transparency of patient-shared pricing

Laser-Assisted Cataract Surgery

Medicare coverage and payment for cataract surgery is the same irrespective of whether the surgery is performed using conventional surgical techniques or a bladeless, computer controlled laser. Under either method, Medicare will cover and pay for the cataract removal and insertion of a conventional intraocular lens. If the bladeless, computer controlled laser cataract surgery includes implantation of a PC-IOL or AC-IOL, only charges for those non-covered services specified above may be charged to the beneficiary.

These charges could possibly include charges for additional services, such as imaging, necessary to implant a PC-IOL or an AC-IOL but that are not performed when a conventional IOL is implanted. Performance of such additional services by a physician on a limited and non-routine basis in conventional IOL cataract surgery would not disqualify such services as non-covered services. This guidance does not apply to the use of technology for refractive keratoplasty.

Patient Understanding

While payment for non-covered services is the beneficiary’s responsibility, Medicare Law (§1879) contains a provision that waives that liability if the beneficiary is not likely to know and did not have a reason to know that the services would not be covered.
Advance Beneficiary Notice of Noncoverage

- Option 1. I want the _____ listed above. You may ask to be paid now, but I also want Medicare billed for an official decision on payment…I can appeal to Medicare…
- Option 2. I want the _____ listed above, but do not bill Medicare. You may ask to be paid now as I am responsible for payment. I cannot appeal to Medicare…
- Option 3. I don’t want the _____ listed above. I understand with this choice I am not responsible for payment… I cannot appeal to Medicare…

Medicare Advantage Organizations

- Do not use an ABN
- Notice of denial of coverage issued by MAO (similar to a preauthorization)
- Pre-service organization determination from the MAO
  - Patient requested
  - Provider requested
- Check with MAO plans on process

Notice of Exclusion from Health Plan Benefits

- Beneficiary may not know that certain services are not covered
- Item or services excluded from health plan benefits
- May be customized


Modifier - GY

Item or service statutorily excluded or does not meet the definition of any Medicare benefit or, for non-Medicare insurers, is not a contract benefit.

- Line 19 “Seeking denial for secondary payer”
- Line 19 “Astigmatism-correcting IOL exclusion”

66999-GY  H52.22* Regular astigmatism
V2787-GY  H52.22* Regular astigmatism

Medicare Advantage Organizations

Key considerations:
1. May require itemized list of services with CPT codes and ICD-10 codes be submitted in advance
2. May require submission of codes for noncovered services on claim with modifiers GA and GY on same claim with covered services
3. Without denial notification prior to surgery, payer could require physician to refund patient for noncovered items / services

NEHB Example

Patient’s Name: ___________________________

NOTICE OF EXCLUSION FROM HEALTH PLAN BENEFITS

You need to make a choice about having [LIST SERVICE/PROCEDURE]. This service is not a covered benefit and consequently your health plan will not pay for it. When you receive a service that is not a covered benefit, you are responsible to pay for it.

The purpose of this notice is to help you make an informed choice about whether or not you want to receive these items or services, knowing that you will have to pay for them yourself. Before you make a decision about your options, you should read this entire notice carefully. Ask us to explain, if you don’t understand why your health care service plan won’t pay.
Your doctor has recommended (describe service in detail providing options for patient consideration).

You are responsible for all of the fees associated with a non-covered service. The charge for the surgeon's professional fee is $______ and the charge for hospital or ASC facility fee is $_______.

Beneficiary Agreement

Accordingly, the undersigned accepts full financial responsibility for the non-covered services described above.

_______________________________________
Signature of patient or person acting on patient's behalf

Date

NEHB Example

Conclusion

• Payments for cataract surgery may be challenged as not medically necessary
• Document ADLs to support medical necessity for surgery
• Know and adhere to payers' coverage policies
• Distinguish between routine and complex cataract surgery
• Follow global surgery package rules for complications
• Be clear about noncovered services; use a financial waiver
• Review and follow CMS instructions for FS laser and advance technology IOLs

Additional information...

• Our website  www.corcoranccg.com
• Corcoran monographs
• FAQs
• Webinars
  • Refractive Cataract Surgery
  • Co-management
  • Post-cataract Eyeglasses

More help...

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

Phone: (800) 399-6565
Website: www.CorcoranCCG.com
Mobile App: Corcoran 24/7