CODING AND REIMBURSEMENT
FOR CORNEAL TISSUE ACQUISITION

NEWSFLASH – Reimbursement for Donor Tissue Used in Glaucoma Shunt Grafts

The Centers for Medicare and Medicaid Services (CMS) has issued the policy below via a quarterly transmittal that effective April 1, 2015, donor tissue used in glaucoma shunt graft procedures will be billable using HCPCS Code, V2785 – processing, preserving, and transporting corneal tissue. Therefore, all of the information in this brochure should be considered by hospital outpatient departments and ASCs for donor tissue for corneal surgical procedures and for glaucoma shunt graft procedures.

Billing Guidance for Corneal Allograft Tissue

ASC's can bill for corneal allograft tissue used for coverage (CPT code 66180) or revision (CPT code 66185) of a glaucoma aqueous shunt with HCPCS code V2785. Contractors pay for corneal tissue acquisition reported with HCPCS code V2785 based on acquisition/invoice cost.

Reimbursement for Donor Tissue for Corneal Surgical Procedures and for Glaucoma Shunt Graft Procedures

In order for facilities, hospitals outpatient departments and ambulatory surgical centers (ASCs) to receive reimbursement for donor tissue acquisition, they must remember to separately bill this service, and to also correctly code for the surgical procedure where the corneal tissue or donor tissue in glaucoma shunt graft procedures is used and thus considered an integral part of the procedure.

Effective in 2008 for both the Hospital Outpatient Department Payment System and the Ambulatory Surgical Center (ASC) Payment System, the Medicare will make a separate payment for the acquisition of corneal and donor tissue. However, there has been some confusion by hospital outpatient departments and ASCs regarding how to bill Medicare for this service. This has led to instances where the acquisition of corneal tissue was not being billed and therefore, not being reimbursed by Medicare. Furthermore, this lack of knowledge regarding coding and billing has led to confusion regarding the benefits for those patients whose Medicare coverage is provided by a Medicare Advantage plan. Medicare Advantage plans are mandated to provide similar coverage and benefits as traditional, fee- for- service Medicare.

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Therefore, the intent of this brochure is to ensure that all providers understand the appropriate process and requirements for the coding and billing of corneal tissue acquisition and now also donor tissue acquisition for glaucoma shunt grafts. It is also incumbent on all eye banks and ophthalmologists to share copies of this brochure with the department administrators and coding and billing departments for hospital outpatient departments where procedures are performed using corneal or donor tissue and to share copies of this brochure with all ASC Administrators and coding and billing departments, as well.

V2785 Processing, preserving and transporting corneal tissue

For ASC, bill on paper. Must attach eye bank invoice to claim

For Hospitals, bill charges for corneal tissue to receive cost based reimbursement

Appropriate Coding and Billing of Corneal Tissue Acquisition for Procedures Performed in a Hospital Outpatient Surgical Department

Medicare makes separate payment to hospital outpatient departments for corneal tissue acquisition for corneal surgeries and for donor tissue acquisition glaucoma shunt graft surgeries in addition to the payment for the surgical procedure being performed on the eye. The corneal or donor tissue acquisition will be paid on a cost basis, not as part of the outpatient prospective payment system or the APC payment for the surgical procedure. To receive this cost-based reimbursement for the corneal or donor tissue acquisition, the hospital outpatient department must bill separately for the corneal or donor tissue acquisition on the UB-04 hospital claim form using HCPCS code V2785 – processing, preserving, and transporting corneal tissue. This HCPCS code would be billed on the claim that the hospital is submitting for the surgical procedure that needed the corneal or donor tissue in addition to the CPT code for the surgical procedure. Medicare will calculate a cost to reimburse for the tissue acquisition based on the charges for corneal or donor tissue billed by the hospital outpatient department using HCPCS Code V2785.

200.1 – Billing for Corneal Tissue

(Rev. 1445, Issued: 02-08-08;
Effective: 01-01-08; Implementation: 03-10-08)

Corneal tissue will be paid on a cost basis, not under OPPS. To receive cost based reimbursement hospitals must bill charges for corneal tissue using HCPCS code V2785.

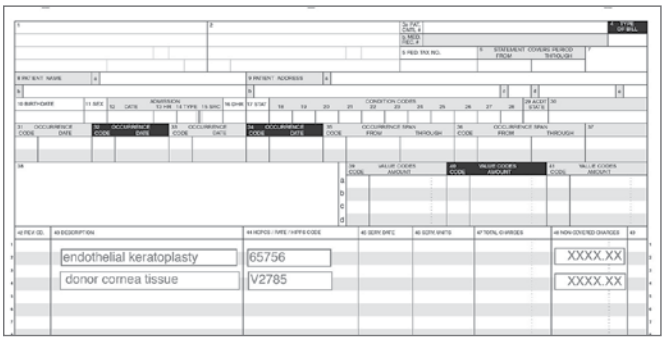
It is important for all eye banks and ophthalmologists to educate their contacts in the hospital outpatient departments that are responsible for billing that a separate HCPCS code must go on the claim, in addition to the CPT code for the surgical procedure on the eye, for the corneal tissue acquisition and that this code is HCPCS code V2785.

To help with this educational process, the Centers for Medicare and Medicaid Services issued a reminder to all hospital outpatient departments as part of their annual transmittal for the 2015 Outpatient Prospective Payment System.

4. Billing for Corneal Tissue

We[CMS] remind hospitals that according to Pub. 100-04, the Medicare Claims Processing Manual, Chapter 4, Section 200.1 – Billing for Corneal Tissue, the corneal tissue is paid on a cost basis and not under the OPPS. To receive cost-based reimbursement for corneal tissue hospitals must bill charges for corneal tissue using HCPCS code V2785.

Sample UB-04 Billing Form with code V2785 inserted



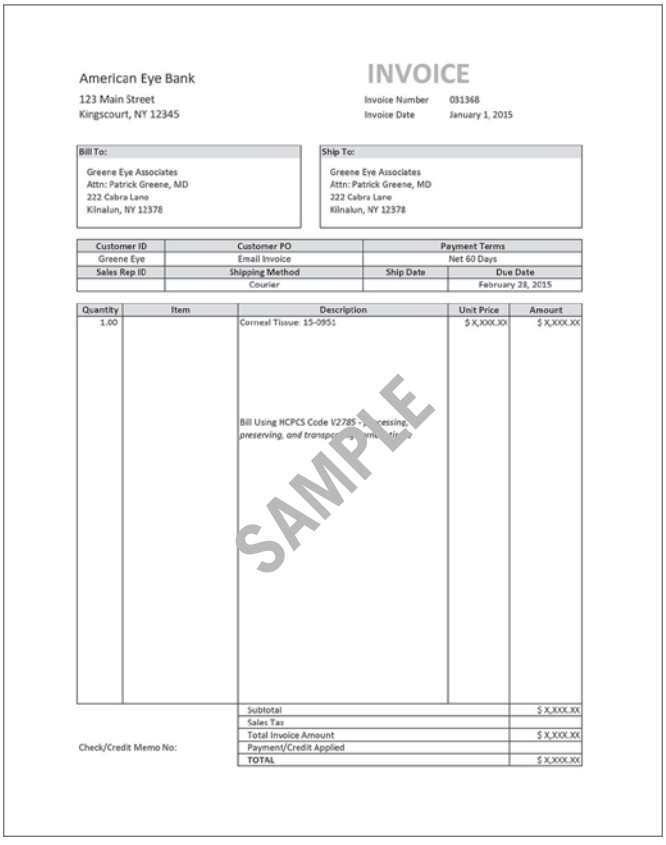
Appropriate Coding and Billing of Corneal Tissue Acquisition for Procedures Performed in an Ambulatory Surgical Center

Per the Medicare Claims Processing Manual for ASCs, effective January 1, 2008, Medicare makes separate payment to ASCs for corneal tissue and donor tissue acquisition. To receive this separate payment from Medicare, ASCs need to bill the insurance company for the corneal or donor tissue acquisition using HCPCS code V2785 – Processing, preserving, and transporting corneal tissue. Medicare has directed its Contractors, also referred to as "MACs," to pay the ASC for the corneal tissue acquisition based on acquisition cost or invoice.

Given the Contractors' need for this acquisition cost information from the ASC, all ASCs are advised to bill their local Medicare contractor or "MAC," using a paper claim. The ASC must also attach the eye bank invoice to the claim for appropriate and timely reimbursement. While this may take longer to process, it will help the ensure that the tissue acquisition is paid separately.

Regarding Medicare beneficiaries who are receiving their Medicare coverage via a Medicare Advantage Plan, the same billing and payment rules do apply. However, we have found that not all of these Medicare Advantage plans are aware of Medicare's policies; therefore, it is a good idea to reach out to the Medicare Advantage plan prior to sending in the paper claim with the eye bank invoice attached to remind them of Medicare's policy and to avoid the possibility of having to appeal the claim. A sample verification letter can be found at the link below.

Under the revised ASC payment system effective January 1, 2008, Medicare makes separate payment to ASCs for corneal tissue acquisition (which is billed using V2785). Contractors pay for corneal tissue acquisition based on acquisition cost or invoice."


American Eye Bank
123 Main Street
Kingscourt, NY 12345

INVOICE

Invoice Number 031368
Invoice Date January 1, 2015

Bill To:
Greene Eye Associates
Attn: Patrick Greene, MD
222 Cabra Lane
Kilnalun, NY 12378

Ship To:
Greene Eye Associates
Attn: Patrick Greene, MD
222 Cabra Lane
Kilnalun, NY 12378

Customer ID	Customer PO	Payment Terms	
Greene Eye	Email Invoice	Net 60 Days	
Sales Rep ID	Shipping Method	Ship Date	Due Date
	Courier		February 28, 2015

Quantity	Item	Description	Unit Price	Amount
1.00		Corneal Tissue: 15-0951	$ X,XXX.XX	$ X,XXX.XX
		Bill Using HCPCS Code V2785 - ...cessing, preserving, and transp...		

SAMPLE

Subtotal	$ X,XXX.XX
Sales Tax	
Total Invoice Amount	$ X,XXX.XX
Payment/Credit Applied	
TOTAL	$ X,XXX.XX

Check/Credit Memo No:

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More Resources

This project is the result of collaboration between the American Academy of Ophthalmology and the Eye Bank Association of America. More resources are available at **restoresight.org/medicare-reimbursement**, including:

- Printable version of this brochure
- Reimbursement talking points
- Eye bank sample invoice
- Sample verification letter for physicians
- Sample appeals letter for physicians
- CMS Claims Processing Manual

California Transplant Services, Inc.
Occular and Tissue Distribution
5845 Owens Ave.
Carlsbad, CA 92008
(760)804-6890
(760)804-6899 fax
www.CAtransplant.org
a 501(c)3 Non Profit public charity

This project is the result of collaboration between the American Academy of Ophthalmology and the Eye Bank Association of America.

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