

Explanation of Payment Changes for Negative Wound Pressure Treatment Using a Disposable Device

Courtesy of the Home Care Association of New York State, Public Policy No.16-2016

Payment Change for Negative Pressure Wound Therapy Using a Disposable Device

Negative pressure wound therapy (NPWT) is a medical procedure in which a vacuum dressing is used to enhance and promote healing in acute, chronic, and burn wounds. The therapy involves using a sealed wound dressing attached to a pump to create a negative pressure environment in the wound. Applying continued or intermittent vacuum pressure helps to increase blood flow to the area and draw out excess fluid from the wound. NPWT can be utilized for varying lengths of time, as indicated by the severity of the wound, from a few days to a span of several months.

In addition to the conventional NPWT systems classified as durable medical equipment (DME), NPWT can also be performed using a disposable device. A disposable NPWT device is a single-use integrated system that consists of a non-manual vacuum pump, a receptacle for collecting exudate, and dressings for the purposes of wound therapy. These disposable systems consist of a small pump, which eliminates the need for a bulky canister. Unlike conventional NPWT systems classified as DME, disposable NPWT devices have a pre-set continuous negative pressure, there is no intermittent setting, they are pocket-sized and easily transportable, and they are generally battery-operated with disposable batteries.

A disposable NPWT system is currently considered a non-routine supply and thus payment for the disposable NPWT system is included in the episodic payment amount. However, the Consolidated Appropriations Act of 2016 (Pub. L 114-113) amends existing home health regulations and is now requiring a separate payment to a HHA for an applicable disposable device, when furnished on or after January 1, 2017 to an individual who receives home health services for which payment is made under the Medicare home health benefit. Section 1834(s)(2) of the Act defines an applicable device as a disposable negative pressure wound therapy device that is an integrated system comprised of a non-manual vacuum pump, a receptacle for collecting exudate, and dressings for the purposes of wound therapy used in lieu of a conventional NPWT DME system.

A separate payment amount for NPWT using a disposable system is to be set equal to the amount of the payment that would be made under the Medicare Hospital Outpatient Prospective Payment System (OPPS) using the Level I Healthcare Common Procedure Coding System (HCPCS) code, otherwise referred to as Current Procedural Terminology (CPT-4) codes, for which the description for a professional service includes the furnishing of such a device.

Under the OPPS, CPT codes 97607 and 97608 (APC 5052 – Level 2 Skin Procedures) include furnishing the service as well as the disposable NPWT device. The codes are defined as follows:

- HCPCS 97607 – Negative pressure wound therapy (for example, vacuum assisted drainage collection), utilizing disposable, non-durable medical equipment including provision of exudate management collection system, topical application(s), wound assessment, and instructions for ongoing care, per session; total wound(s) surface area **less** than or equal to 50 square centimeters.
- HCPCS 97608 – Negative pressure wound therapy (for example, vacuum assisted drainage collection), utilizing disposable, non-durable medical equipment including provision of exudate management collection system, topical application(s), wound assessment, and instructions for ongoing care, per session; total wound(s) surface area **greater** than 50 square centimeters.

For NPWT using a disposable device, Medicare will **not** pay for the visits under the HHPPS for instances where the sole purpose for an HHA visit is to furnish NPWT using a disposable device. The HHA must now bill these visits separately **under type of bill 34x** (used for patients not under a home health plan of care, Part B medical and other health services, and osteoporosis injections) along with the appropriate HCPCS code (97607 or 97608). Visits performed solely for the purposes of furnishing NPWT using a disposable device are not to be reported on the HHPPS claim (type of bill 32x).

If NPWT using a disposable device is performed during the course of an otherwise covered HHA visit (for example, while also furnishing a catheter change), the HHA must not include the time spent furnishing NPWT in its visit charge or in the length of time reported for the visit on the HHPPS claim (type of bill 32x). Providing NPWT using a disposable device for a patient under a home health plan of care will be separately paid based on the OPSS amount relating to payment for covered OPD services. In this situation, the HHA would bill for NPWT performed using a disposable device under type of bill 34x along with the appropriate HCPCS code (97607 or 97608). Additionally, this same visit should also be reported on the HHPPS claim (type of bill 32x), but only for the time spent furnishing the services unrelated to the provision of NPWT.

CMS also states that since the two CPT codes are considered “sometimes” therapy codes, NPWT using a disposable device for patients under a home health plan of care can be performed, in accordance with state law, by a registered nurse, physical therapist, or occupational therapist and the visits would be reported on the type of bill 34x using revenue codes 0559, 042x, 043x. The descriptions for CPT codes 97607 and 97608 include performing a wound assessment; therefore, CMS states that it would only be appropriate for these visits to be performed by a registered nurse, physical therapist, or occupational therapist as defined in §484.4 of the Medicare Conditions of Participation (CoPs).

Furthermore, since the payment amount for both the 97607 and 97608 codes would be set equal to the amount of the payment that would be made under the OPSS, the payment amount would also be subject to the area wage adjustment policies in place under the OPSS in a given year. Section 504(b)(1) of the Consolidated Appropriations Act, 2016 (Pub. L 114-113) also amends section 1833(a)(1) of the Act, which requires that furnishing NPWT using a disposable device be subject to beneficiary coinsurance in the amount of 20 percent. The amount paid to the HHA by Medicare would be equal to 80 percent of the lesser of the actual charge or the payment amount as determined by the OPSS for the year.

Lastly, CMS clarifies in the final rule that when a HHA “furnishes NPWT using a disposable device,” the HHA is furnishing a **new** disposable NPWT device. This means the HHA provider is either initially applying an entirely new disposable NPWT device, or removing a disposable NPWT device and replacing it with an entirely new one. In both cases, all the services associated with NPWT – for example, conducting a wound assessment, changing dressings, and providing instructions for ongoing care – must be reported on Type Of Bill (TOB) 34x with the corresponding CPT code (that is, CPT code 97607 or 97608); they may **not** be reported on the home health claim (TOB 32x).

CMS will conduct outreach and education, through Open Door Forums, Medlearn Matters articles and other products to assist providers on this new payment policy for disposable NPWT devices as well how to properly submit bills under TOB 34X.