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Coders' Desk Reference

HCPCS Level II

Answers to your toughest HCPCS Level II coding questions

2017

Contents

Using Modifiers

The HCPCS Level II codes are alphanumeric codes developed by CMS as a complementary coding system to the AMA's CPT codes. HCPCS Level II codes describe procedures, services, and supplies not found in the CPT® manual.

Similar to the CPT coding system, HCPCS Level II codes contain modifiers that serve to further define services and items without changing the basic meaning of the HCPCS Level II code with which they are reported.

It is important to note that HCPCS Level II modifiers may be used in conjunction with CPT codes, such as 69436 LT Tympanostomy (requiring insertion of ventilating tube), general anesthesia, left ear. Likewise, CPT modifiers can be used when reporting HCPCS Level II codes, such as L4396 50 Ankle contracture splint, bilateral (this scenario can also be reported with modifiers RT and LT, depending on the third-party payer's protocol). In some cases, a report may be required to accompany the claim to support the need for a particular modifier's use, especially in cases when the presence of a modifier causes suspension of the claim for manual review and pricing.

Ambulance Modifiers

For ambulance services modifiers, there are single alpha characters with distinct definitions that are paired together to form a two-character modifier. The first character indicates the origination of the patient (e.g., private residence, physician office, etc.) and the second character indicates the destination of the patient (e.g., hospital, skilled nursing facility, etc.). When reporting ambulance services, the name of the hospital or facility should be included on the claim. If reporting the scene of an accident or acute event (character S) as the origin of the patient, a written description of the actual location of the scene or event must be included with the claim.

Ambulance modifiers must be reported as two characters. For example, an ambulance transport from an accident scene to an acute care hospital would have modifier SH appended to the ambulance HCPCS code.

Ambulance Modifier Listing

D Diagnostic or therapeutic site other than "P" or "H" when these are used as origin codes

E Residential domiciliary, custodial facility (other than 1819 facility)

G Hospital-based ESRD facility

H Hospital

I Site of transfer (for example, airport or helicopter pad) between modes of ambulance transport

J Freestanding ESRD facility

N Skilled nursing facility

P Physician's office

R Residence

S Scene of accident or acute event

X Intermediate stop at physician's office on way to hospital (destination code only). Note: Modifier X can only be used as a designation code in the second position of a modifier

HCPCS Level II Modifiers

Alphabetical Listing

A1 Dressing for one wound

A2 Dressing for two wounds

A3 Dressing for three wounds

A4 Dressing for four wounds

A5 Dressing for five wounds

A6 Dressing for six wounds

A7 Dressing for seven wounds

A8 Dressing for eight wounds

A9 Dressing for nine or more wounds

AA Anesthesia performed personally by anesthesiologist

- CPT codes approved for use with modifier AA are 00100–01999.
- If an anesthetist assists the physician in the care of a single patient, the service is considered personally performed by the physician. The anesthesiologist should report this service with modifier AA and the appropriate CPT code from series 00100–01999.
- Modifier AA affects Medicare payment.

AD Medical supervision by a physician; more than four concurrent anesthesia procedures

- Modifier AD affects Medicare payment as a distinct fee schedule amount exists.

AE Registered dietitian

AF Specialty physician

AG Primary physician

AH Clinical psychologist

AI Principal physician of record

General Billing, Claims, and Coverage Issues

ASC X12N 837 Claim Formats

Physicians and suppliers must submit all electronic Medicare Claims data to Medicare using the ASC X12N 837 claim format. The current version of the standards is 005010X0223A2 for institutional claims, 005010X0222A for professional claims, 005010X224A2 for dental claims, and the National Council for Prescription Drug Programs [NCPDP] version D.0. for pharmacy transactions.

Providers can keep up to date with the version 5010 schedule by accessing the CMS website links at http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/Versions5010andD0/index.html?redirect=/Versions5010andD0/.

DMEPOS for Hospital Inpatients

Medicare does not allow separate payment for durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) when a patient is in a covered inpatient stay. These claims were related to DME dates of service greater than two days prior to Part A discharge date or Part A discharge status was not to home. Effective July 1, 2013, the DME claim will be rejected or, if paid, the contractor will institute payment recovery when all of the following conditions are met:

- There is a covered Medicare Part A inpatient claim with a TOB of 0111
- The DME and the inpatient claims are for the same beneficiary HICN
- The DME claim has a line item within the HCPCS Level II category 03 for orthotics and/or prosthesis
- The from date of service (DOS) of the durable medical equipment item is within the Part A admit and discharge dates
- The from DOS of the durable medical equipment line items is greater than two days prior to the beneficiary's Part A inpatient discharge date
- If the from DOS of the DME line items is within the beneficiary's Part A inpatient admission and discharge date and the patient discharge status (FL 17) is NOT equal to 01 Discharged to home or self-care (routine discharge)

(*Medicare Claims Processing Manual*, Pub. 100-4, Chap. 20, Sec. 01, 10, 30, 30.6, 110.2, 110.3.3, 130.5, 160.1, 160.2, 170, 210)

The CMS Recovery Audit Contractor (RAC) Program, which is responsible for identifying and correcting improper payments in the Medicare fee-for-service payment process, identified this issue. The contractor identified DMEPOS claims for patients who received DMEPOS items while in an inpatient stay in a hospital. Since Medicare does not allow separate payments for DMEPOS for the patient during a covered inpatient hospital stay, these payments associated with these claims are considered overpayments.

Medicare will cover DME that falls within an inpatient stay when the claim is for maintenance and servicing of capped rental items and when the claim contains modifier MS. (*Medicare Claims Processing Manual,* Pub. 100-4, Chap. 20, Sec. 210)

Provider Taxonomy Codes

Provider taxonomy codes are 10-character, alphanumeric codes that identify the specialty of the provider. HIPAA regulations require the use of these taxonomy codes. The taxonomy code must be used to identify the provider or supplier's specialty when the taxonomy code affects claim adjudication.

The current list of provider taxonomy codes is available from http://www.wpc-edi.com. Regional DME MACs may be able to provide a current list.

Medical Necessity and DMEPOS

For DMEPOS items or services to be billed to a Medicare contractor, the physician or provider must have documentation demonstrating the medical necessity of the item. This information must be a part of the patient's medical record. For suppliers of DMEPOS items, an official order signed and dated by the ordering provider must be obtained. The order must detail the following:

- The patient's identifying information
- A description of the DMEPOS item
- The reason for the DMEPOS prescription, which can take the form of the ICD-10-CM code and/or diagnosis narrative information
- The start date of the order must be clearly specified

E0424-E0425

E0424 Stationary compressed gaseous oxygen system, rental; includes container, contents, regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing

E0425 Stationary compressed gas system, purchase; includes regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing

Lay Description

Oxygen is stored in several manners, one of which is as a compressed gas. The compression mandates use of heavy, reinforced tanks that constitute a stationary system. A regulator fits on top of the tank and is an adjustment device to control the flow of oxygen at the prescribed rate. A flow meter conserves the release of oxygen by turning on and shutting off the regulated flow as the patient inhales and exhales. A nasal cannula is common for lower delivery rates. A mask and/or nebulizer may be used for higher delivery rates and a catheter directly to the trachea is sometimes required. An in-line humidification system may also be used to modulate effects of higher flows.

E0430-E0431

E0430 Portable gaseous oxygen system, purchase; includes regulator, flowmeter, humidifier, cannula or mask, and tubing

E0431 Portable gaseous oxygen system, rental; includes portable container, regulator, flowmeter, humidifier, cannula or mask, and tubing

Lay Description

Portable gaseous oxygen systems are typically lightweight aluminum tanks (usually designated as C tanks) containing pressurized gaseous oxygen. The pressurized systems are stable and the product stores well up to time of use. In some instances, these units may be refilled from large stationary gas oxygen tanks. These systems are generally designed for emergency or occasional use. These codes include all delivery hardware associated with use of the system (regulator, flowmeter, mask, tubing, etc.).

E0433

E0433 Portable liquid oxygen system, rental; home liquefier used to fill portable liquid oxygen containers, includes portable containers, regulator, flowmeter, humidifier, cannula or mask and tubing, with or without supply reservoir and contents gauge

Lay Description

A portable liquid oxygen system is a cooling device that converts air into liquid oxygen by cooling it to -279 degrees Fahrenheit. The device is designed to store the liquid oxygen and allow patients to refill their portable oxygen containers.

E0434-E0435

E0434 Portable liquid oxygen system, rental; includes portable container, supply reservoir, humidifier, flowmeter, refill adaptor, contents gauge, cannula or mask, and tubing

E0435 Portable liquid oxygen system, purchase; includes portable container, supply reservoir, flowmeter, humidifier, contents gauge, cannula or mask, tubing and refill adaptor

Lay Description

Portable liquid oxygen tanks are insulated thermos-like units that store comparatively large quantities of oxygen at lower pressures than gaseous systems. Several hundred times more oxygen can be stored as liquid in the same amount of space than in its gaseous form. The liquid oxygen is stored cold and converted to gas as it is warmed through an apparatus at the reservoir. Portable units typically weigh eight to 10 pounds and are designed to be refillable from larger, stationary tanks. Portable liquid systems are prone to evaporation loss and the product should be used shortly after decanting. These codes include all oxygen delivery hardware associated with use of the system (regulator, flowmeter, mask, tubing, etc.), including refill adapters.

E0439-E0440

E0439 Stationary liquid oxygen system, rental; includes container, contents, regulator, flowmeter, humidifier, nebulizer, cannula or mask, & tubing

E0440 Stationary liquid oxygen system, purchase; includes use of reservoir, contents indicator, regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing

Lay Description

Stationary liquid oxygen systems are insulated thermos-like units that store comparatively large quantities of oxygen at lower pressures than gaseous systems. (Several hundred times more oxygen can be stored as liquid in the same amount of space than in its gaseous form.) The liquid oxygen is stored cold and converted to gas as it is warmed through an apparatus at the reservoir. Stationary units may weigh 75 to 100 pounds and can contain enough liquid oxygen to last patients up to eight days, depending on level of use. In many instances, the stationary system is also used to decant liquid oxygen into smaller, portable systems. These codes include all oxygen delivery hardware associated with use of the stationary system (regulator, flowmeter, mask, tubing, etc.).

J2430

J2430 Injection, pamidronate disodium, per 30 mg

Lay Description
Pamidronate disodium is used to treat hypercalcemia from cancer, Paget's disease, osteolytic bone metastases of breast cancer, and osteolytic bone lesions of multiple myeloma. Pamidronate disodium acts as an antihypercalcemic, inhibiting the resorption of bone and blocking the formation of mature osteoclasts. Cardiovascular side effects of atrial fibrillation and tachycardia may occur, with hypertension a common side-effect as well as fatigue, abdominal pain, nausea, constipation, anorexia, and anemia.

J2440

J2440 Injection, papaverine HCl, up to 60 mg

Lay Description
Papaverine hydrochloride is an alkaloid extracted from opium or synthetically produced. The drug relaxes smooth muscles, especially when is has been contracted in spasm. The drug directly relaxes the cardiac and vascular systems, bronchial muscles, and gastrointestinal, biliary, and urinary tracts. Its effect on the vascular system includes coronary, cerebral, peripheral, and pulmonary arteries. It has minimal effect on the central nervous system, though large doses can cause some sedation. Papaverine hydrochloride is indicated in erectile dysfunction and various conditions where spasms occur, such as vascular spasm associated with acute myocardial infarction, angina pectoris, peripheral embolism, pulmonary embolism, and visceral spasms such as gastrointestinal colic and ureteral or biliary spasms. It may also be useful in peripheral vascular disease with vasospastic elements and certain cerebral angiospasms.

J2460

J2460 Injection, oxytetracycline HCl, up to 50 mg

Lay Description
Oxytetracycline hydrochloride is a broad-spectrum antibiotic of the tetracycline group produced by the bacterium Streptomyces rimosus. Its mechanism of action is not known, but it is thought to inhibit protein synthesis. Oxytetracycline is effective against a wide range of both gram-positive and gram-negative organisms. Susceptibility studies should be performed prior to the administration of this drug. Cross resistance among drugs in the tetracycline family is common. Susceptible organisms include rickettsiae, *Mycoplasma pneumoniae, Borrelia recurrentis, Escherichia coli, Enterobacter aerogenes, Pseudomonas aeruginosa, Haemophilus aegyptius, Shigella* species, *Mima* species, *Herellea* species, *Haemophilus influenzae, Klebsiella* species, *Diplococcus pneumoniae, Staphylococcus aureus, Neisseria gonorrhoeae, Treponema pallidum, Treponema pertenue, Listeria monocytogenes, Clostridium* species, *Bacillus anthracis, Fusobacterium fusiforme*, and *Actinomyces* species. It may also be used in combination with amebicides to treat acute intestinal amebiasis.

J2469

J2469 Injection, palonosetron HCl, 25 mcg

Lay Description
Palonosetron hydrochloride is a chemical compound that is a selective blocker of serotonin 5-HT3 receptors. Serotonin 5-HT3 receptors are present on the vagal nerve and at sensory nerve endings. Cytotoxic chemotherapy appears to trigger the release of serotonin in the small intestine, which may trigger the 5-HT3 receptors and initiate the vomiting reflex. It is indicated to prevent and treat nausea and vomiting associated with chemotherapy. Palonosetron hydrochloride is administered by intravenous injection. The recommended dosage of the injectable form is 25 mcg.

J2501

J2501 Injection, paricalcitol, 1 mcg

Lay Description
Paricalcitol is a synthetic analogue of calcitriol, vitamin D. Vitamins are organic compounds necessary to the metabolic functioning of the body. Vitamin D is a fat-soluble vitamin that is a group of related compounds commonly called calciferol. Two common forms are cholecalciferol and ergocalciferol. Vitamin D is a steroid hormone precursor and helps to maintain calcium and phosphorus levels throughout the body. Human skin can produce vitamin D when exposed to sunlight, specifically UVB. Secondary hyperparathyroidism is characterized by an increase in parathyroid hormone to compensate for inadequate levels of active vitamin D hormone. Paricalcitol is indicated for the prevention and treatment of hyperparathyroidism secondary to chronic renal failure. The injectable form is administered by intravenous injection and is primarily used when the patient has stage 5 chronic renal disease.

J2502

J2502 Injection, pasireotide long acting, 1 mg

Lay Description
Pasireotide is a somatostatin analog. It is utilized for the treatment of acromegaly in patients who have an unsatisfactory response to surgery or where surgical intervention is not plausible. It is administered via intramuscular injection with an initial dose of 40 mg and repeated every four weeks (28 days). The subsequent doses should be adjusted based on treatment response and tolerance.

L6200-L6205

L6200 Elbow disarticulation, molded socket, outside locking hinge, forearm

L6205 Elbow disarticulation, molded socket with expandable interface, outside locking hinges, forearm

Lay Description
These codes are used to report an exoskeletal prosthesis for an elbow disarticulation or long, transhumeral amputation. It includes a custom-fitted socket fabricated from a model of a patient and a custom-fabricated forearm using an outside locking hinge and a friction wrist unit. An expandable interface allows for differences in residual limb size.

L6250

L6250 Above elbow, molded double wall socket, internal locking elbow, forearm

Lay Description
A transhumeral prothesis is an artificial limb that replaces an arm missing above the elbow. This code refers to a transhumeral amputation that includes a custom-fitted double wall socket fabricated from a model of the patient, a custom-fabricated forearm using an internal locking elbow, and a friction wrist unit.

L6300

L6300 Shoulder disarticulation, molded socket, shoulder bulkhead, humeral section, internal locking elbow, forearm

Lay Description
This code refers to an exosketetal prosthesis for a shoulder disarticulation amputation. It includes a custom-fitted socket fabricated from a model of a patient, a custom-fabricated humeral section, and a forearm using a shoulder bulkhead, an internal locking elbow, and friction wrist unit. Exoskeletal prostheses have a hard outer shell, which can usually withstand considerable force. Exoskeletal designs are usually preferred for prostheses designed to perform work.

L6310

L6310 Shoulder disarticulation, passive restoration (complete prosthesis)

Lay Description
This code refers to an exoskeletal passive prosthesis for a shoulder disarticulation amputation. It includes a custom-fitted socket fabricated from a model of the patient, a custom-fabricated humeral section and forearm using a passive elbow, a passive terminal device (the most distal part of a prosthesis that substitutes for the hand; it may be a prosthetic hand, a hook, or another device), and a friction wrist unit and suspension. Exoskeletal prostheses have a hard outer shell, which can usually withstand considerable force. Exoskeletal designs are usually preferred for prostheses designed to perform work. A passive functional prosthesis offers very realistic cosmetics and can perform limited function.

L6320

L6320 Shoulder disarticulation, passive restoration (shoulder cap only)

Lay Description
The code refers to an upper extremity restoration (cap) prosthesis for the shoulder of a shoulder disarticulation amputation. It includes a custom-fitted socket fabricated from a model of the patient with special modifications to restore shoulder shape and protect the amputation area. A passive system is primarily cosmetic but also functions as a stabilizer. A passive system is fabricated if the patient does not have enough strength or movement to control a prosthesis or wears a prosthesis only because of cosmetic concerns.

L6350

L6350 Interscapular thoracic, molded socket, shoulder bulkhead, humeral section, internal locking elbow, forearm

Lay Description
An interscapular-thoracic amputation is the surgical separation of the humerus (upper arm bone), scapula (shoulder blade), and a portion of the clavicle (collar bone) from the body. In this procedure the entire shoulder and arm are removed. This code refers to an exoskeletal prosthesis for an interscapular thoracic amputation. It includes a custom-fitted socket fabricated from a model of the patient, a custom-fabricated humeral section, forearm utilizing a shoulder bulkhead, an internal locking elbow, and a friction wrist unit.

L6360

L6360 Interscapular thoracic, passive restoration (complete prosthesis)

Lay Description
An interscapular-thoracic amputation is the surgical separation of the humerus (upper arm bone), scapula (shoulder blade), and a portion of the clavicle (collar bone) from the body. In this procedure, the entire shoulder and arm are removed. This code refers to the complete passive restoration. A passive system is primarily cosmetic but also functions as a stabilizer. A passive system is fabricated if the patient does not have enough strength or movement to control a prosthesis or wears a prosthesis only because of cosmetic concerns.

L6370

L6370 Interscapular thoracic, passive restoration (shoulder cap only)

Lay Description
An interscapular-thoracic amputation is the surgical separation of the humerus (upper arm bone), scapula