

REIMBURSEMENT FOR AMNIOTIC MEMBRANE TRANSPLANTATION

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QUESTION: What is AmnioGraft®?

ANSWER: AmnioGraft is CryoTek® cryopreserved processed amniotic membrane and is used as either a biologic ocular bandage to assist healing or as an ocular transplantation graft to repair or replace damaged tissue. As a surgical graft, AmnioGraft repopulates with host cells from the surrounding tissue. As a biologic bandage, AmnioGraft acts as a physical barrier against the external environment, and can deliver anti-scarring, anti-inflammatory, and anti-angiogenic biologics to the ocular surface. It also supports epithelial adhesion and differentiation, and has anti-adhesive properties to minimize scarring.

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QUESTION: Which CPT codes are used for amniotic membrane transplantation?

ANSWER: There are 2 procedure codes:

- 65779 *Placement of amniotic membrane on the ocular surface; single layer, sutured*
65780 *Ocular surface reconstruction; amniotic membrane transplantation; multiple layers*

CPT further instructs:

Do not report 65778, 65779 in conjunction with 65430, 65435, 65480

For placement of amniotic membrane using tissue glue, use 66999.

A third code, 65426 (*Excision or transposition of pterygium; with graft*), may also apply to surgery using AmnioGraft, but the tissue graft is not separately identified or billed since it is the graft. Note: The code for pterygium doesn't change if tissue glue is used since 65426 doesn't specify how the graft is attached.

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QUESTION: Does Medicare cover procedures using amniotic membrane tissue?

ANSWER: Yes, when medically necessary.

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QUESTION: What are the indications for AmnioGraft?

ANSWER: The use of amniotic tissue for assistance with wound healing has been advocated for over 65 years. Amniotic membrane tissue is indicated for the management of ocular wounds. The allograft maintains a moist environment which helps provide a physiologically favorable milieu for ocular wound management such as in the reduction of inflammation and scarring, and in reducing abnormal blood vessel growth. Amniotic membrane transplantation has proven beneficial where frequent topical lubrication has failed and as an alternative to tarsorrhaphy, punctal occlusion, tissue adhesives, and conjunctival flaps. The following list shows the most common indications.

As a surgical graft:

- Pterygium and pinguecula surgery
- Conjunctivochalasis and conjunctival lesion surgery
- Superior limbic keratoconjunctivitis
- Leaking bleb repair
- Descemetocoele or perforation
- Fornix and socket reconstruction

As a biologic bandage:

- Recurrent corneal erosion and post-superficial keratectomy
- Corneal ulcers
- Bullous and band keratopathy
- Chemical burns
- Stevens-Johnson Syndrome
- Partial limbal stem cell deficiency

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The reader is strongly encouraged to review federal and state laws, regulations, code sets (including ICD-10), and official instructions promulgated by Medicare and other payers. This document is *not an official source* nor is it a complete guide on reimbursement. The reader is reminded that this information, including references and hyperlinks, changes over time, and may be incorrect at any time following publication.

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QUESTION: What are Medicare's allowed amounts for these procedures?

ANSWER: Physician payment rates vary by the site of service. The 2018 Medicare Physician Medicare Physician Fee Schedule allowable amounts¹ are:

	<u>65779</u>	<u>65780</u>
Physician (in office)	\$1,241	\$684
Physician (in facility)	\$157	\$684

The 2018 national Medicare facility allowable amounts are:

	<u>65779</u>	<u>65780</u>
HOPD Facility Fee	\$2,952	\$2,952
ASC Facility Fee	N/A ²	\$1,306

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QUESTION: Does Medicare pay for the supply of AmnioGraft separately?

ANSWER: No, the supply is included in the provider reimbursement. HCPCS code V2790, amniotic membrane for surgical reconstruction per procedure, is no longer eligible for discrete Medicare payment in any setting. The large discrepancy between the physician's reimbursement for 65779 in office vs. in a facility addresses this – the supply is part of the physician's allowance when the procedure is done in the office, or part of the facility fee. Note that there is no difference in the surgeon's allowable for 65780; this procedure is assumed by Medicare always to be performed in a facility.

As with all payment rates, other payers may have different policies regarding the supply of Amnio-Graft. Check with your payers.

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QUESTION: Are there any restrictions on Medicare reimbursement?

ANSWER: Yes. Medicare's National Correct Coding Initiative (NCCI) edits bundle amniotic membrane tissue transplantation procedures (65779, 65780) with pterygium removal (65420, 65426), and with the keratoplasty codes (65710, 65730, 65750, 65755, 65756). NCCI edits change quarterly; so check them periodically.

Other third party payers are not obliged to follow Medicare's NCCI edits, although many do. Check with the payers.

¹ These amounts are adjusted in each area by local indices. Other payers set their own fee schedules, which may differ considerably from Medicare rates.

² The current Medicare ASC fee schedule does not include a value for 65779.

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