

Billing for Medically Necessary Contact Lenses

Clarke D. Newman, OD, FAAO
Plaza Vision Center
600 North Pearl Street, Suite H-201
Dallas, Texas 75201-7492
(214) 969-0467
cdnewman@earthlink.net

Abstract

This course details the process for billing third party carriers and patients for contact lenses that are medically necessary contact lenses.

Learning Objectives

1. To understand what is a medically necessary contact lens
2. To understand how insurance contracts and exclusions affect bill for medically necessary contact lenses
3. To understand when it is appropriate to bill a patient or a third party payer for prescribing medically necessary contact lenses
4. To understand how to bill ethically and effectively for the services provided

1) Introduction

A) What is a “Third Party” Payer Relationship?

- 1) **First and Foremost—it is a contract relationship**
 - a) **Definitions**
 - b) **Limits**
 - i) **Reimbursement Fee Schedule**
 - ii) **Eligibility Periods**
 - c) **Exclusions**
 - d) **Carrier Determination Policies**
 - e) **Contractual Obligations**
 - i) **Filing Requirements**
 - ii) **Balance Billing Policies**
 - iii) **Inclusion Policies**
 - f) **Civil Remedies**
- 2) **Government Contracts**
 - a) **Medicare**
 - i) **National Carrier Determination Policies (NCD)**
 - ii) **Local Carrier Determination Policies (LCD)**
 - b) **Medicaid**
 - i) **State Coverage Policies**
 - c) **Criminal Remedies**

B) What is the definition of medically necessary?

AMA Definition (1999)

“Health care services or products that a prudent physician would provide to a patient for the purpose of preventing, diagnosing, treating or rehabilitating an illness, injury, disease or its associated symptoms, impairments or functional limitations in a manner that is: (1) in accordance with generally accepted standards of medical practice; (2) clinically appropriate in terms of type, frequency, extent, site and duration; and (3) not primarily for the convenience of the patient, physician, or other health care provider.”

C) Optometric Financial Oath

“I, [state your name], do solemnly swear or affirm that neither I, nor any of my business partners, spouses, concubines, long time companions, assigns, or heirs will never, ever, never ever sign, or caused to be signed, any contract that I have not fully read and fully understand. Further, I affirm that I shall not take food out of the mouths of my beloved family members by entering into any contract that is so onerously structured as to make no financial sense for me, or my business. This I pledge, before God, Irv Borish, and all other deities, to be my solemn vow.

2) The Codes that Are in Play

A) Medical Service Codes

1) Evaluation and Management Services

a) (99201 – 99201) New Patient Services

b) (99211 – 99215) Established Patient Services

c) a “new Patient” is a patient who has not been examined by you or another doctor in the same specialty in the same practice in the previous three years.

2) General Ophthalmological Services

a) (92002 & 92004) New Patient Services

b) (92012 & 92014) Established Patient Services

3) Office or Other Outpatient Consultations

a) (99241 – 99245) New or Established

b) Only appropriate when requested by a “physician or other appropriate source (PA, RN, NP, DC, PT, OT, SW, Psych., Attorney, Ins. Co).”

c) Request by referring physician may be written or verbal

d) A consultant’s report is mandatory and must be in writing

e) Subsequent services are billed as either E/M services or General Ophthalmological services

B) Other Diagnostic Codes Rational to MNCL’s

1) 92015 Refraction

a) Basic

b) Complex

2) 92025 Corneal Topography

3) 92315 Diagnostic Imaging

4) 92225 Ophthalmoscopy, Extended

5) 92285 External Photography

6) 76514 Pachymetry

7) 92499 Abberometry

C) Contact Lens Services

1) 92310 Prescription of contact lenses, corneal, both eyes

2) 92311 Prescription of contact lenses, corneal, aphakia, one eye

3) 92312 Prescription of contact lenses, corneal, aphakia, both

eyes

4) 92313 Prescription of contact lenses, corneoscleral, one eye

5) 92070 Fitting of a contact lens for the treatment of disease

- 6) 92325 (bandage contact lens), including the supply of lens
Modification of contact lens (separate procedure), with supervision of Adaptation
- 7) 92326 Replacement of contact lens

D) HCPCS Material Codes

- 1) V2510 Contact Lens, GP, Spherical, per lens
- 2) V2511 Contact Lens, GP, Toric, per lens
- 3) V2512 Contact Lens, GP, Bifocal, per lens
- 4) V2513 Contact Lens, GP, Extended Wear, per lens
- 5) V2520 Contact Lens, Hydrophilic, Spherical, per lens
- 6) V2521 Contact Lens, Hydrophilic, Toric, per lens
- 7) V2522 Contact Lens, Hydrophilic, Bifocal, per lens
- 8) V2523 Contact Lens, Hydrophilic, Extended Wear, per lens
- 9) V2531 Contact Lens, GP, Scleral, per lens

3) Important Concepts

- A) The Dumbest Optometric Concept EVER!
--The "Contact Lens Fitting Fee"
- B) The Second Dumbest Optometric Concept EVER!
--The "Contact Lens Check"
- C) Only use the 92070 code for a bandage lenses!!
- D) Charge another Contact Lens Service fee if you change the lens design "substantially." Example: If you start with a corneal RPG lens and then change to a Synergeyes lens, then you would initially bill a 92310 and then later bill a 92313
- E) Follow-Up visits are not included in the 923XX codes past the first follow-up. The "supervision of adaptation" requirement is met at the first follow-up visit. Follow-Up visits are a part of the General Ophthalmological Services.
- F) Fee Schedules
 - 1) Medicare
 - a) Participating vs Non-Participating
 - b) Limiting and Maximum Allowable Charges
 - 2) Medicaid
 - a) Carrier Allowables
 - 3) Private Fee Schedules
 - 4) Vision Plan Benefits
- G) Patient Management Issues
--Have your staff confirm eligibility and reimbursements PRIOR to the patient coming in whenever possible
- H) Match appropriate ICD-9-M Codes to the appropriate service code.
- I) Use Letters of Medical Necessity (LMN's) and Patient Brochures

4) Conclusions

- A) Know what the contracts say for each contract for each code that you use in your office
- B) Bill appropriately for all of your services—Forget "Fitting Fees"
- C) Make sure your fees are in line with the contracts that you have signed, but high enough to be commensurate with the complexity, time, and liability involved
- D) Learn to consult with your colleagues—it won't hurt one bit
- E) Learn to promote that aspect of your practice