Florida Medicaid Overview:
Vagus Nerve Stimulator (VNS) Billing and Reimbursement Updates

Bureau of Medicaid Policy
Agency for Health Care Administration
April 25, 2018
10:00 AM – 11:00 AM (EST)
Disclaimer

• The information provided in this presentation is only intended to be general summary information to the public. It is not intended to take the place of existing policy, rule, state, or federal regulation.

• This PowerPoint presentation may be located at: http://ahca.myflorida.com/medicaid/cost_reim/hospital_rates.shtml
Overview of Changes

- Streamlined billing codes and instructions
- Updated rates
- Ambulatory Surgical Centers included as eligible provider
Billing Guidance

• The VNS Reimbursement Fact Sheet may be found on the Agency’s website at:
  http://ahca.myflorida.com/medicaid/cost_reim/hospital_rates.shtml

• Additional information may be found in the provider policies and rules located at:
  http://ahca.myflorida.com/medicaid/review/index.shtml
Billing Information (General)

• The updates have been made retroactively effective to November 2, 2017.

• Eligible patients continue to be limited to adults and children with intractable epilepsy for which surgery has failed or is not recommended.

• A maximum fee of $16,200 has been established for the full device. A maximum fee of $8,100 has been established for a partial replacement of the device.
  – A full device includes all components of a working vagus nerve stimulator, either as a new service or a complete replacement system.
  – A partial device replacement is only applicable when one or more individual components are replaced.
Billing Information (Place of Service)

- Surgery may take place in the following settings:
  - Inpatient hospital
  - Outpatient hospital
  - Ambulatory Surgical Center
## Inpatient Hospital Billing

<table>
<thead>
<tr>
<th>Provider</th>
<th>Claim Type</th>
<th>New or Full Replacement Device</th>
<th>Partial Replacement</th>
<th>Unit Limit</th>
<th>Prior Authorization</th>
<th>Additional Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inpatient Hospital</td>
<td>UB-04 or 837I</td>
<td>1. Revenue Code: 0278 – Other Implants</td>
<td>1. Revenue Code: 0278 – Other Implants</td>
<td>1 per date of service</td>
<td>No prior authorization is required for the device. Prior authorization for the inpatient stay is still required unless exempt by other Medicaid policy or rule.</td>
<td>The claim line with L8679 will pay independent of the Diagnosis-Related Group (DRG) payment for the surgery.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. CPT Code(s): L8679 – Implantable neurostimulator, pulse generator, any type</td>
<td>2. CPT Code(s): L8679 SC** – Implantable neurostimulator, pulse generator, any type</td>
<td></td>
<td>**Must be only modifier on claim line</td>
<td></td>
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# Outpatient Hospital Billing

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<tr>
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</tr>
</thead>
</table>
| Outpatient Hospital | UB-04 or 837I | **Claim Line 1**  
Revenue Code: 0360 – General Surgery*  
CPT Code(s): 64568– Incision for Implantation of Cranial Nerve (eg, Vagus Nerve) Neurostimulator Electrode Array and Pulse Generator*  
*Both are required | **Claim Line 1**  
Revenue Code: 0360 – General Surgery*  
CPT Code(s): 64569– Revision or Replacement of Cranial Nerve (eg, Vagus Nerve) Neurostimulator Electrode Array, including connection to existing pulse generator*  
*Both are required | 1 per date of service | No prior authorization is required for this device claim line. Prior authorization or other services billed on the same claim may still apply. | The device is reimbursed in addition to the Enhanced Ambulatory Patient Grouping payment for the surgery. |
| | | **Claim Line 2**  
Revenue Code: 0278 – Other Implants  
CPT Code(s): L8679 – Implantable neurostimulator, pulse generator, any type*  
*Both are required | **Claim Line 2**  
Revenue Code: 0278 – Other Implants  
CPT Code(s): L8679 SC** – Implantable neurostimulator, pulse generator, any type*  
*Both are required |  |  |  |
**Ambulatory Surgical Center (ASC) Billing**

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<tr>
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<th>New or Full Replacement Device</th>
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<th>Additional Information</th>
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</thead>
<tbody>
<tr>
<td>Ambulatory Surgical Center</td>
<td>CMS-1500 or 837P</td>
<td><strong>Claim Line 1</strong>&lt;br&gt;CPT Code(s): 64568–Incision for Implantation of Cranial Nerve (eg, Vagus Nerve) Neurostimulator Electrode Array and Pulse Generator</td>
<td><strong>Claim Line 1</strong>&lt;br&gt;CPT Code(s): 64569–Revision or Replacement of Cranial Nerve (eg, Vagus Nerve) Neurostimulator Electrode Array, including connection to existing pulse generator</td>
<td>1 per date of service</td>
<td>No prior authorization is required for this device claim line. Prior authorization or other services billed on the same claim may still apply.</td>
<td>The device is reimbursed in addition to the <a href="#">Enhanced Ambulatory Patient Grouping</a> payment for the surgery.</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Claim Line 2</strong>&lt;br&gt;CPT Code(s): L8679 – Implantable neurostimulator, pulse generator, any type</td>
<td><strong>Claim Line 2</strong>&lt;br&gt;CPT Code(s): L8679 SC**– Implantable neurostimulator, pulse generator, any type **Must be only modifier on claim line</td>
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Additional Billing Information

• Physicians and surgeons will still bill separately and receive the appropriate surgical fee independent of the facility and device reimbursement.
  – For full device implantation or full device replacement, physicians must bill CPT 64568 ($418.02)
  – For partial device replacement, physicians must bill CPT 64569 ($503.31)
  – For device removal, physicians must bill 64570 ($421.56)
• An appropriate diagnosis code must be used.
SMMC Coverage Requirements

- Section V(A)(1)(d) of the Core Contract Provisions stipulates services covered under promulgated state policy must be provided for by SMMC Plans.
- Neurology Services Coverage Policy
  - 4.2 Specific Criteria
  
  Florida Medicaid reimburses for the following services in accordance with the American Medical Association Current Procedural Terminology and the applicable Florida Medicaid fee schedule(s), or as specified in this policy:
  - Vagus nerve stimulator (VNS) placement, removal, or revision for intractable epilepsy
Statewide Medicaid Managed Care
Reimbursement

• Statewide Medical Managed Care (SMMC, health plans) plans have the flexibility to:
  – Provide reimbursement for alternate codes and additional services.
  – Negotiate mutually agreed upon reimbursement rates with its network of contracted providers.

• Negotiated rates can be different than those listed on the fee schedule.
  – In no instance may the health plan impose limitations or exclusions more stringent than those specified in the contract.
  – Health plans may exceed specific coverage criteria included in the coverage policies and fee schedules and any specific coverage exclusions that are specified in the contract.
Contact Us

• To contact a Medicaid representative with Recipient and Provider Assistance, please call: 1-877-254-1055

• Florida Medicaid Web site
  – Complaint hub and other tools can be located here
Questions?