

Hospital Owned Outpatient Wound/Ulcer Management Provider-Based Departments (PBDs)

2024 Coding, Coverage, and Medicare National Average Allowable Rates for the MicroDoc® Single-Use Negative Pressure Wound Therapy System



Coding

In a PBD, when a Medicare beneficiary who has purchased fee-for-service Medicare Part B either 1) receives a new complete disposable negative pressure wound therapy (dNPWT) system or 2) has an existing dNPWT removed and replaced with a completely new dNPWT system, either 97607 or 97608 should be reported, depending on the size of the wound. See the Table for exact code descriptions.

NOTE: When a physician or qualified healthcare professional (QHP) writes the order and personally applies the dNPWT system in a PBD, the physician/QHP, and the PBD should report the appropriate code. If the physician/QHP writes the order for the PBD staff to apply the dNPWT system, only the PBD should report the appropriate code.

Coverage

PBDs and physicians/QHPs should verify if the Medicare Administrative Contractor (MAC), which processes their claims, released a Local Coverage Determination (LCD) and/or Local Coding Article (LCA) pertaining to dNPWT. If an LCD and/or an LCA exists, the PBDs and physicians/QHPs should read and follow the medical necessity, utilization, documentation, and coding guidelines.

NOTE: If your MAC has not released an LCD and/or an LCA, coverage will be based upon thorough documentation of the medical necessity for the dNPWT.



Disclaimer

The content included here is for informational purposes only; reimbursement for medical products and services is affected by numerous factors. The provider is always responsible for determining and submitting appropriate codes, charges, and modifiers for services rendered. Actual codes and/or modifiers used are at the sole discretion of the treating physician/QHP and/or facility. Providers should contact their third-party payers for specific information on their coding, coverage, and payment policies. This reimbursement content information is not intended to promote the off-label use of any product.

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Payment

The 2024 Medicare Outpatient Prospective Payment System (OPPS) assigned the dNPWT codes, 97607 and 97608, to the ambulatory payment classification (APC) group 5052 which has a status indicator of “T.” See the Table for national average Medicare allowable rates. Each PBD should verify their actual 2024 OPPS allowable rates with their finance department.

When medical necessity coverage criteria are met and documented, and when the PBD staff applies a new complete dNPWT system to a Medicare beneficiary’s wound, the MAC should pay 80%, and the beneficiary or their secondary insurance will be responsible for 20% of the PBD’s allowable rate.

NOTE: If the physician/QHP applied the dNPWT, the MAC should also pay 80%, and the beneficiary or their secondary insurance will also be responsible for 20% of the Medicare Physician Fee Schedule allowable rate.

NOTE: The National Correct Coding Initiative (NCCI) Edits may prevent separate payment for 97607 or 97608 when performed at the same encounter on the same anatomic location as another minor procedure (e.g., 97597, 97602, 97610). Because the NCCI Edits are updated on a quarterly basis, PBDs and physicians/QHPs should review the NCCI procedure-to-procedure edits at the beginning of each quarter.

NOTE: Before furnishing dNPWT, PBDs, and physicians/QHPs should always verify if a fee-for-service Medicare beneficiary receives care from a home health agency. The home health agency consolidated billing system requires home health agencies to purchase and bill for dNPWT ordered for Medicare beneficiaries under their care. For those beneficiaries, physicians/QHPs should write an order for the home health agency to furnish the dNPWT.

Procedure Code	Code Description	2024 OPPS APC Group	2024 OPPS Status Indicator	2024 OPPS Allowable Rate ²
97607	Negative pressure wound therapy, (e.g., 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.	5052	T ¹	\$379.92
97608	Negative pressure wound therapy, (e.g., 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.	5052	T ¹	\$379.92

¹The OPPS Status Indicator of “T” indicates that when two procedures, assigned the “T” status indicator, are performed at the same encounter, the procedure with the highest allowable rate is paid at 100% and the payment rate for the procedure with the lowest allowable is reduced by 50%.

²Allowable rates do not consider payment reductions e.g., sequestration.

¹ 2024 Outpatient Prospective Payment System Addendum A and Addendum B:

<https://www.cms.gov/medicare/payment/prospective-payment-systems/hospital-outpatient/addendum-a-b-updates>

² National Correct Coding Initiative Procedure-to-Procedure Edit Files:

<https://www.cms.gov/medicare/coding-billing/national-correct-coding-initiative-ncci-edits/medicare-ncci-procedure-procedure-ntp-edits>

³ Home Health Agency Consolidated Billing System List: <https://www.cms.gov/medicare/payment/prospective-payment-systems/home-health/coding-and-billing-information>

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