

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

2024 Coding, Coverage, and Medicare National Average Allowable Rates for Application of the WoundPro™ and WoundPro+™ Negative Pressure Wound Therapy (NPWT) Durable Medical Equipment (DME) System



## Coding

When a Medicare Part B-covered beneficiary is rented or purchased a NPWT DME system from a durable medical equipment prosthetic, orthotic supplies (DMEPOS) supplier, and is receiving wound/ulcer care in a PBD, the beneficiary should take their NPWT DME pump, a new canister, and a new wound care set to each PBD encounter.

When the physician or qualified healthcare professional (QHP) personally applies the NPWT DME system, the physician/QHP and the PBD should report either 97605 or 97606, depending on the size of the wound/ulcer. When the physician/QHP writes the order for the PBD staff to apply the NPWT DME system, only the PBD should report either 97605 or 97606. See the Table for exact code descriptions

## Coverage

PBDs and physicians/QHPs should verify if the Medicare Administrative Contractor (MAC), that processes their claims, released a Local Coverage Determination (LCD) and/or Local Coding Article (LCA) pertaining to the application of NPWT DME systems. 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. If your MAC has not released an LCD and/or an LCA, coverage for the application will be based upon thorough documentation of the medical necessity for the NPWT DME system

NOTE: When a physician/QHP writes a new order for the Medicare beneficiary to receive a NPWT DME system from a DMEPOS supplier, the physician/QHP and the PBD should read and follow the NPWT LCD (L33821) and LCA (A52511)<sup>i</sup> which specify the 1) documentation that should be in the beneficiary's medical record to support medical necessity and 2) utilization guidelines for use of the device by the beneficiary at home. They should also read and follow the Standard Documentation Requirements for All Claims Submitted to DME MACs (A55426)<sup>ii</sup> which provides excellent guidelines for writing complete orders, documenting to meet all DME requirements, coding correctly, and complying with signature requirements.

## 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.

## Get In Touch

*Ready to elevate your  
healthcare solutions with  
Pensar Medical?*

www.pensarmedical.com  
hello@pensarmedical.com

## Payment

The 2024 Medicare Outpatient Prospective Payment System (OPPS) assigned the two NPWT DME system application codes to different ambulatory payment classification (APC) groups. However, both NPWT DME system application codes have the same OPPS status indicator. See the Table for the APC group assignments, the status indicator assignment, and the 2024 national average Medicare OPPS allowable rates<sup>iii</sup>. 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 apply the NPWT DME system to a Medicare Part B-covered beneficiary's wound/ulcer, the MAC should pay 80% and the beneficiary or her/his secondary insurance should be responsible for 20% of the PBD's allowable OPPS rate. When the physician/QHP applies the NPWT DME system in the PBD, the MAC should also pay 80%, and the beneficiary or his/her secondary insurance should also be responsible for 20% of the Medicare Physician Fee Schedule allowable rate.

NOTE: The National Correct Coding Initiative (NCCI) Edits<sup>v</sup> may prevent separate payment for 97605 or 97606 when performed at the same encounter and on the same anatomic location as another minor procedure (e.g., 11042, 15271, 97597). 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 applying a NPWT DME system, PBDs should always verify if a Medicare Part B-covered beneficiary is receiving care from a home health agency (HHA) or a skilled nursing facility (SNF). The HHA consolidated billing system<sup>v</sup> and SNF consolidated billing system<sup>vi</sup> require HHAs and SNFs to apply NPWT DME systems used by Medicare beneficiaries under their care. If PBDs perform the application, they should have contracts to bill the HHAs or SNFs for their work.

Procedure Code	Code Description	2024 OPPS APC Group	2024 OPPS Status Indicator	2024 OPPS Allowable Rate <sup>2</sup>
97605	Negative pressure wound therapy, (e.g., vacuum assisted drainage collection), utilizing durable medical equipment (DME) including topical application(s), wound assessment, and instructions for ongoing care, per session; <b>total wound(s) surface area less than or equal to 50 square centimeters.</b>	5051	Q1 <sup>1</sup>	\$190.75
97606	Negative pressure wound therapy, (e.g., vacuum assisted drainage collection), utilizing durable medical equipment (DME) including, topical application(s), wound assessment, and instructions for ongoing care, per session; <b>total wound(s) surface area greater than 50 square centimeters.</b>	5052	Q1 <sup>1</sup>	\$379.92

<sup>1</sup> The OPPS Status Indicator of "Q1" indicates packaged APC payment if billed on the same claim as a HCPCS code assigned status indicator "S," "T," "V," or "X.". In all other circumstances, the procedure is paid under OPPS with a separate APC payment.

<sup>2</sup> Allowable rates do not consider payment reductions e.g., sequestration.

<sup>i</sup> Negative Pressure Wound Therapy Pumps LCD: <https://www.cms.gov/medicare-coverage-database/view/lcd.aspx?LCDId=33821>, and LCA: <https://www.cms.gov/medicare-coverage-database/view/article.aspx?articleId=52511&ver=28>

<sup>ii</sup> Standard Documentation Requirements for All Claims Submitted to DME MACs: <https://www.cms.gov/medicare-coverage-database/view/article.aspx?articleId=55426&ver=110>

<sup>iii</sup> 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>

<sup>iv</sup> 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>

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

<sup>vi</sup> Skilled Nursing Facility Consolidated Billing Lists: <https://www.cms.gov/medicare/coding-billing/skilled-nursing-facility-snf-consolidated-billing/2024-part-b-mac-update>

## 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.

## Get In Touch

*Ready to elevate your  
 healthcare solutions with  
 Pensar Medical?*

[www.pensarmedical.com](http://www.pensarmedical.com)  
[hello@pensarmedical.com](mailto:hello@pensarmedical.com)