

Model Letter for Medicare Payers

September 12, 2002

Medicare Carrier

**RE: Inappropriate Claim Denial for CPT Code 61795**

Dear \_\_\_\_\_:

You recently denied a claim for CPT code 61795, stereotactic computer assisted volumetric (navigational) procedure, intracranial, extracranial, or spinal (SCAN), billed in conjunction with code [31254, 31255, 31256, 31267, 31276, 31287, 31288, 31290, 31291, 31292, 31293, or 31294]. This denial indicates that you have not used the January 1, 2001, revision to the Correct Coding Initiative (CCI), which specifically allows payment for 61795 when performed in conjunction with various ENT, head, and neck procedures.

The January 1, 2001 revision to the Correct Coding Initiative adopted by the Centers for Medicare and Medicaid Services (CMS) reflects the most recent revision of the code by the AMA CPT Editorial Panel. The January 2000 revision to the CPT codes included extracranial as well as intracranial procedures in the definition of code 61795, specifically allowing this procedure to be performed in conjunction with endoscopic sinus surgery procedures. Even before this revision, however, code 61795 was listed as an add-on code in the CPT code book, and it continues to be listed as an add-on code in the current CPT code book. In fact, the 2002 CPT definition of 61795 includes a parenthetical instruction to “list separately in addition to code for primary procedure” for CPT code 61795.

The code’s inclusion of extracranial procedures and designation as an add-on are intended to ensure patient access to the highest standard of care. The AMA CPT Editorial Panel includes physicians from various specialties, representing practitioners, CMS, and commercial insurance associations. Members of the American Rhinologic Society (ARS) and the American Academy of Otolaryngology-Head and Neck Surgery (the Academy) contributed their knowledge about the procedure when the Panel decided to revise the code. The Panel recognized that using SCAN in complex sinus surgeries can enhance patient care by reducing complications and morbidity and improving accuracy, reducing the likelihood that additional sinus surgeries will be necessary. Furthermore, the Panel acknowledged that SCAN can add significant pre-operative and intraoperative time to procedures, and thus requires separate reimbursement.

When the Health Care Financing Administration (HCFA, now the Centers for Medicare and Medicaid Services, CMS) implemented in July 2000 an edit in the CCI (version 6.2) that bundled 61795 with endoscopic sinus surgery procedures, codes 31254, 31255, 31256, 31267, and 31276, it failed to consider the revised definition of 61795. In response to a request by the ARS and the Academy to rescind the bundling edit, HCFA deleted the edits in CCI Version 7.0, implemented on January 1, 2001. The decision to delete the edit was made retroactive to the initial effective date of the edits, which allowed providers to resubmit claims denied based on these edits after January 1, 2001. As a result of this change, providers could resubmit all denied claims for 61795 in conjunction with an endoscopic sinus surgery code after the CCI change went into effect on January 1, 2001. HCFA thus allowed payment for 61795 in conjunction with endoscopic sinus surgery codes from July 2000 onward.

In July 2001, the AMA provided further clarification that 61795 may be reported when performed in conjunction with ENT, head, and neck procedures, including functional endoscopic sinus surgeries. Please see the attached letter from the AMA providing this clarification.

Your denial of payment for 61795 in conjunction with other endoscopic sinus surgery codes directly contradicts CMS policy and also departs from clear AMA guidance on this code. Please review the attached claim and provide appropriate payment for both 61795 and [31254, 31255, 31256, 31267, 31276, 31287, 31288, 31290, 31291, 31292, 31293, or 31294].

Sincerely,

Attachment

Model Letter for Non-Medicare Payers

September 12, 2002

Insurance Company

**RE: Inappropriate Claim Denial for CPT Code 61795**

Dear \_\_\_\_\_:

You recently denied a claim for CPT code 61795, stereotactic computer assisted volumetric (navigational) procedure, intracranial, extracranial, or spinal (SCAN), billed in conjunction with code [31254, 31255, 31256, 31267, 31276, 31287, 31288, 31290, 31291, 31292, 31293, or 31294]. This denial indicates that you have not used the January 1, 2001, revision to the Correct Coding Initiative (CCI), which specifically allows payment for 61795 when performed in conjunction with various ENT, head, and neck procedures.

The January 1, 2001 revision to the Correct Coding Initiative adopted by the Centers for Medicare and Medicaid Services (CMS) reflects the most recent revision of the code by the AMA CPT Editorial Panel. The January 2000 revision to the CPT codes included extracranial as well as intracranial procedures in the definition of code 61795, specifically allowing this procedure to be performed in conjunction with endoscopic sinus surgery procedures. Even before this revision, however, code 61795 was listed as an add-on code in the CPT code book, and it continues to be listed as an add-on code in the current CPT code book. In fact, the 2002 CPT definition of 61795 includes a parenthetical instruction to “list separately in addition to code for primary procedure” for CPT code 61795.

The code’s inclusion of extracranial procedures and designation as an add-on are intended to ensure patient access to the highest standard of care. The AMA CPT Editorial Panel includes physicians from various specialties, representing practitioners, CMS, and commercial insurance associations. Members of the American Rhinologic Society (ARS) and the American Academy of Otolaryngology-Head and Neck Surgery (the Academy) contributed their knowledge about the procedure when the Panel decided to revise the code. The Panel recognized that using SCAN in complex sinus surgeries can enhance patient care by reducing complications and morbidity and improving accuracy, reducing the likelihood that additional sinus surgeries will be necessary. Furthermore, the Panel acknowledged that SCAN can add significant pre-operative and intraoperative time to procedures, and thus requires separate reimbursement.

When the Health Care Financing Administration (HCFA, now the Centers for Medicare and Medicaid Services, CMS) implemented in July 2000 an edit in the CCI (version 6.2) that bundled 61795 with endoscopic sinus surgery procedures, codes 31254, 31255, 31256, 31267, and 31276, it failed to consider the revised definition of 61795. In response to a request by the ARS and the Academy to rescind the bundling edit, HCFA deleted the edits in CCI Version 7.0, implemented on January 1, 2001. The decision to delete the edit was made retroactive to the initial effective date of the edits, which allowed providers to resubmit claims denied based on these edits after January 1, 2001. As a result of this change, providers could resubmit all denied claims for 61795 in conjunction with an endoscopic sinus surgery code after the CCI change went into effect on January 1, 2001. HCFA thus allowed payment for 61795 in conjunction with endoscopic sinus surgery codes from July 2000 onward.

In July 2001, the AMA provided further clarification that 61795 may be reported when performed in conjunction with ENT, head, and neck procedures, including functional endoscopic sinus surgeries. Please see the attached letter from the AMA providing this clarification.

By continuing to deny payment for 61795 in conjunction with other endoscopic sinus surgery codes, you not only deny patients access to the highest standard of care, you also may violate the terms of your own policies and/or state insurance laws. For example, your policy is to have practitioners code using CPT codes, which means that practitioners are expected to follow the AMA's CPT coding conventions. By contract, [\_\_\_\_] insurance company also is expected to abide by the AMA's coding conventions. If you require practitioners to use the CPT codes, but do not recognize the revisions to the codes, you are in breach of your contract. Alternatively, you have written policies or contracts that state that your payment rates will be "reasonable." If a rate is not reasonable, you are in breach of contract and susceptible to significant legal remedies by injured parties. Moreover, many states have insurance laws that explicitly require insurance payment rates to be reasonable. In those states, a payer that sets unreasonable rates is in violation of the state law and may risk losing its authority to function in the state. Any payer policy that states it is basing payment on the Medicare fee schedule, yet does not follow Medicare's guidance on the code, is on its face unreasonable.

By continuing to deny payment for 61795 in conjunction with other endoscopic sinus surgery codes, you are not following current AMA guidance on this code. Please review the attached claim and provide appropriate payment for both 61795 and [31254, 31255, 31256, 31267, 31276, 31287, 31288, 31290, 31291, 31292, 31293, or 31294].

Sincerely,

Attachment