Novitas Solutions
Medicare Part B Presents:
Understanding the Local Coverage Determination (LCD) and National Coverage Determination (NCD) Process

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- Education specific to providers in Medicare Administrative Contractor Jurisdiction L (JL) include: Delaware, District of Columbia, Maryland, New Jersey, and Pennsylvania

- Education specific to providers in Medicare Administrative Contractor Jurisdiction H (JH) include: Arkansas, Colorado, Louisiana, Mississippi, New Mexico, Oklahoma, and Texas

- This education contains specific contractor guidance

- If you are not a provider in Jurisdiction L or Jurisdiction H, please contact your Medicare contractor for specific guidance.

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INNOVATION IN ACTION

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Agenda

- National Coverage Determination (NCD)
- Local Coverage Determination (LCD)
  - Development Process
  - Comment Period
  - Retirement of a LCD
  - Reconsideration Process
- Contractor Advisory Committee (CAC)
- Helpful Hints and Resources
- Medical Policy Center Tour
- Comprehensive Error Rate Testing Program
- Self Service Options

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INNOVATION IN ACTION
Objectives

• Provide a basic understanding of the Local Coverage Determinations (LCD) and the National Coverage Determination (NCD) process
• Demonstrate how to locate LCD and NCD
• Explore the information that can be found in a LCD

National Coverage Determinations
National Coverage Determinations (NCDs)

- The NCDs are developed by the Centers of Medicare & Medicaid Services (CMS) to describe the circumstances for Medicare coverage nationwide for an item or service.
- NCDs generally outline the conditions for which an item or service is considered to be covered (or not covered) under §1862(a) (1) of the Social Security Act or other applicable provisions of the Act.

Reasons for National Coverage Determination (NCDs)

- A National Coverage Determination (NCD) can be initiated by the Centers of Medicare & Medicaid Services (CMS) if they find:
  - Inconsistent local coverage polices exist
  - The service represents a significant medical advance and no similar service is currently covered by Medicare
  - The service is the subject of substantial controversy
  - The potential for rapid diffusion or overuse exists
Where to Find National Coverage Determinations (NCDs)

- NCDs can be found on the Centers of Medicare & Medicaid Services (CMS) Website
- The alphabetical index can be found at the following link
• The Medicare National Coverage Determination (NCD) manual can be found in the Internet-Only Manuals, Publication 100-03
Local Coverage Determination (LCD)
Local Coverage Determination (LCD) Overview

- Medicare Contractors establish LCD for their jurisdictions
- According to Section 1862(a)(1) of the Social Security Act, the Centers for Medicare & Medicaid Services (CMS) and its contractors may develop standards outlining what is “reasonable and necessary” for coverage under Medicare
- LCD are administrative and educational tools to assist provider in submitting correct claims
- This can include specific qualifications applicable to providers seeking Medicare coverage of certain procedures
- Section 522 of the Benefits Improvement and Protection Act (BIPA) created the term “local coverage determination”
- Internet-Only Manual Publication 100-8, Chapter 13 gives detailed instructions for LCD

Reasonable and Necessary

- Contractors shall consider a service to be reasonable and necessary if the contractor determines that the service is
  - Safe and effective
  - Appropriate, including the duration and frequency that is considered appropriate for the item or service, in terms of whether it is
    - Furnished in accordance with accepted standards of medical practice for the diagnosis or treatment of the patient's condition or to improve the function of a malformed body member
    - Furnished in a setting appropriate to the patient's medical needs and condition
    - Ordered and furnished by qualified personnel
    - One that meets, but does not exceed, the patient's medical need
    - At least as beneficial as an existing and available medically appropriate alternative
Establishment of a Local Coverage Determination (LCD)

- In the absence of national policy, Medicare contractors may establish medical policy

- Novitas Local Coverage Determinations (LCDs) consist only of “reasonable and necessary” information. They do not include benefit category and statutory exclusion provisions or coding instructions

- **Note:** Novitas uses a separate but related article that communicates information such as coding instructions and reasons for denial of payment

Absence of a Local Coverage Determination

- Novitas does not develop a Local Coverage Determination (LCD) for every service or procedure that is covered

- Absence of an LCD does not mean non-coverage for a service or procedure that fits a Medicare benefit category

- It means that currently, Novitas has not identified the service as requiring a local policy
  - Nevertheless, Medicare relies on providers to report services appropriately so payment is made only for services that meet the general definition of “medically reasonable and necessary”
Payment by Medicare

- Payment for services by Medicare must be
  - Performed in accordance with federal laws, regulations and Medicare national payment rules
  - Performed in accordance with Medicare coverage policies (national and local)
  - Performed by a qualified practitioner
  - Performed for a qualified beneficiary
  - Medically reasonable and necessary
  - Coded correctly

Local Coverage Determination Development Process
Rationale for Developing

• Reasons for developing a Local Coverage Determination (LCD) include but are not limited to
  o A service is identified that is never covered under certain circumstances
  o A validated widespread problem demonstrates a significant risk to the Medicare Trust Fund
  o An LCD is needed to ensure beneficiary access to care
  o There are frequent denials for a particular service
  o Data analysis shows a particular service is reimbursed or utilized differently compared to other jurisdictions
  o New technology, service, or procedure becomes available that has potential to be a risk to the Medicare Trust Fund

Supporting Evidence

• Evidence supporting LCDs
  o Published authoritative evidence
  o General acceptance by the medical community
    ▪ Scientific data or research published
    ▪ Consensus of expert medical opinion
    ▪ Medical opinion derived from consultations with medical associations or other health care experts
When a Local Coverage Determination (LCD) is Needed

- When a new LCD or revised LCD is needed, Novitas will
  - Determine if a policy addressing the issue already exits
    - Adopt or adapt an existing LCD
  - Develop a new policy

Contents of Local Coverage Determination

- Familiarity with a Local Coverage Determination (LCD) helps providers and their billing staff gain a full understanding of the payment/denial of a service

- Novitas encourages providers, billing personnel and others who may be responsible for filing claims to Medicare to be aware of all information contained within an LCD

- There are many components that comprise an LCD
Information Contained in Local Coverage Determination (LCD)

- Information that may be contained in an LCD includes
  - Indications and limitations of coverage and/or medical necessity
  - ICD-9-CM codes that support medical necessity
  - Utilization guidelines
  - Documentation guidelines
  - Drug wastage
  - Individual consideration guidelines, if applicable

ICD-10 Conversion/Coding Infrastructure
Revisions/ICD-9 Updates to National Coverage Determinations (NCDs) - Maintenance CR

- Change Request # 8691
  - Effective: July 1, 2014 (ICD-9) October 1, 2015 (ICD-10)
  - Implementation: July 7, 2014 (ICD-9) October 6, 2015 (ICD-10)

- Key Points
  - Create and update NCD editing
  - Update associated coding infrastructure
  - Provide pertinent policy/coding information necessary to implement ICD-10 for 9 NCDs

- Reference
Updates to International Classification of Diseases, 10th Edition (ICD-10) Local Coverage Determinations

• Special Edition Article SE1421

• Key Points
  o Advises how to access ICD-10 Local Coverage Determinations (LCDs) in the CMS Medicare Coverage Database (MCD)

• Reference

Contractor Advisory Committee (CAC)
Purpose of the Contractor Advisory Committee (CAC)

- The purpose of the CAC is to provide
  - A formal mechanism for physicians in the State to be informed of and participate in the development of a Local Coverage Determination (LCD) in an advisory capacity
  - A mechanism to discuss and improve administrative policies that are within the contractors discretion
  - A forum for information exchange between contractor and physicians

Focus of The Contractor Advisory Committee (CAC)

- The CAC focuses on Local Coverage Determinations (LCDs) and administrative policies with the contractor’s discretion. They do not
  - Discuss issues and policies related to private insurance
  - Discuss national policy promulgated by Centers of Medicare & Medicaid Services (CMS)
  - Discuss what is “right” or “wrong” with Medicare
  - Review or discuss of individual cases or individual providers
Local Coverage Determination
Comment Period

• Newly developed Local Coverage Determinations (LCDs) and those with significant revisions are posted for “comment” for 45 days on the Novitas Website.

• All comments are considered as the LCD is finalized.

• Once finalized, a synopsis of the LCD is published.

• Approximately 45 days after it is finalized, the LCD becomes effective.
Comment Period Begins

• Novitas will distribute draft Local Coverage Determinations (LCDs) to the CAC members; appropriate groups of health professionals and provider organizations; representatives of specialty societies; other contractors; Quality Improvement Organizations (QIOs); and to the Centers of Medicare & Medicaid Services (CMS)

Comment Period Ends

• When Comment Period Ends
  o Novitas will provide a minimum comment period of 45 calendar days
  o A contractor has the discretion but is not required to accept comments submitted after the end of the comment period
Medical Policy Center

Draft Local Coverage Determination (LCD) and Articles
Draft Policy Status and History

Contractor Review

- Novitas ensures that Local Coverage Determinations (LCDs) appearing on its Website are accurate and current
- Reviews are conducted as follows
  - Within 90 days for new or revised policies
  - Within 120 days for updates to Healthcare Common Procedure Coding System codes (HCPCs) or ICD-9-CM codes
  - Annually
Retirement of a Local Coverage Determination (LCD)

• Why might an LCD be retired?
  o Some examples are
    ▪ A new or revised NCD is issued
    ▪ Outdated technology with no claim volume
    ▪ Prepay or postpay review edits have been removed because providers submit claims correctly
    ▪ The LCD no longer provides a meaningful educational benefit
Guidance for a Retired Local Coverage Determination (LCD)

• If an LCD has been retired
  o Ensure the service is reasonable and medically necessary
  o Is there a National Coverage Determinations (NCD) for the service
  o Is National Correct Coding Initiative (NCCI) applicable
  o Use Sound Clinical Judgment

Search for Retired Local Coverage Determinations (LCDs)

• Effective December 2013
• To search for previous versions of an LCD or retired LCDs, refer to the CMS Medicare Coverage Database (MCD)
Reconsideration Process

- The Local Coverage Determination (LCD) Reconsideration Process is a mechanism for interested parties to request a revision to an LCD
- The process is available only for final LCDs
- The whole LCD or any provision of the LCD may be reconsidered
Reconsideration Request Consideration

- Local Coverage Determination (LCD) reconsideration request will be considered from
  - Beneficiaries
  - Providers
  - Any interested party

Reconsideration for Local Coverage Determinations (LCDs)

- Reconsideration requests will only be accepted for LCDs published in final form
- Requests will not be accepted for
  - National Coverage Determinations (NCD)
  - Coverage provisions in interpretive manuals
  - Draft LCDs
  - Template LCDs
  - Retired LCDs
  - Individual claim determinations
  - Bulletins, articles, training materials
  - Any instance in which no LCD exists
Request a Reconsideration

- To request a reconsideration
  - Requests must be submitted in writing
  - Must identify the language that the requestor wants added to or deleted
  - Requests must include a justification supported by new evidence
  - Copies of published evidence included in your request must be full text articles

Reconsideration Submission

- Office of the Contractor Medical Director
  Novitas Solutions
  JH Medical Affairs Department
  2020 Technology Parkway, Suite 100
  Mechanicsburg, PA 17050
- Fax: 717-526-6389
- Email
  patricia.reidenbach@novitas-solutions.com
Validating Reconsideration Request

- Novitas will determine if the request is valid or invalid within 30 days
  - Any request that does not meet the criteria, will be considered invalid
  - The requestor will receive a written explanation explaining why the request was invalid

Valid Reconsideration Request Options

- If the request is valid
  - Final decision within 90 days
  - Requestor will be notified
- Decision options include
  - Retiring the policy
  - No revision
  - Revision to a more restrictive policy
  - Revision to a less restrictive policy
Helpful Tips and Resources

Helpful Tips

• Printing a Local Coverage Determination (LCD) is not recommended

• Review LCDs carefully and completely

• Since many diagnosis codes are listed within a range of codes, for better results in searching for a specific code, use the “core” of the code rather than the complete code (e.g., core of 093.20–093.24 is 093). After completing the search, scroll through the section of codes to determine if the specific code you are looking for is included in the LCD
Reference Material

- Centers of Medicare & Medicaid Services (CMS) Internet-Only Manuals (IOMs)
  http://www.cms.gov/Manuals/IOM/list.asp
- IOM Pub. 100-08, Chapter 13
- Novitas JH Medical Policy Center

Comprehensive Error Rate Testing (CERT)
Comprehensive Error Rate Testing (CERT)

- What is it? A program developed by Centers for Medicare & Medicaid Services (CMS) to randomly audit claims monthly to determine if they processed correctly.
- Why does it matter? To protect the Medicare trust fund and determine error rates nationally and regionally.
- Who is involved? You. A request for medical records from AdvanceMed alerts you that one of your claims has been selected as part of the monthly random sample.
- How does it work? A letter will be sent to your office requesting the medical documentation. You need to comply in a timely manner with the request.
- JH

JH Part B Common Errors

- Insufficient documentation
  - Missing or illegible documentation and/or physician signature
  - Procedure/laboratory service billed
  - No valid physician’s order

- Incorrect coding errors
  - Evaluation and Management (E/M) codes
  - Units of medication
Website Features

• Based on your feedback we are pleased to announce a new look and layout to our website!
• Enhancements include
  o Line of Business remembers your choice between sessions
  o Accepting the disclaimer only once per visit
  o Rolling banner for hot topics
  o Quick links at the top and bottom of each page
  o Drop down box to search Entire Site or Medical Policy/LCD
  o Navigation improvements
Novitas Home Page

Novitas Solutions, Inc. (Novitas) proudly serves as an administrative services processing company for government-sponsored health care programs on behalf of the federal government. Novitas currently administers:

- The Medicare Administrative Contract (MAC) Jurisdiction L (11), which serves eleven states, the District of Columbia, and the Commonwealth of the Northern Mariana Islands (CNMI), and)
- The payment processing for the Medicare Payment Advisory Committee (MedPAC) of the U.S. Congress.

Novitas has been in business since 1983 and now employs more than 1,200 staff in the area. Nearly 1,200 other associates are located in field offices in Fort Valley, Ga.; Pittsburgh and Wheeling, Pa.; Dallas, Texas; Webster, N.Y.; and Salt Lake City, Utah.

Career Opportunities

- Novitas is an equal opportunity employer.
- For information on career opportunities at Novitas, please contact the Novitas headquarters in Fort Valley, Ga.
- To see career opportunities at our other locations, please visit our website.

JH Customized Content

Medicare: Jurisdiction H website

Thank you for visiting the Novitas Solutions, Inc. provider website. This website is intended exclusively for Medicare providers and health care industry professionals to find the latest Medicare news.

To enable us to present you with customized content that focuses on your area of interest, please select your preference below:

- Part A: Hospitals & other Facilities
- Part B: Physicians & other health care professionals

Set Preference

*In order to save your preferences, please enable cookies in your browser settings.
Self Service Options
Jurisdiction H Customer Contact Information

• Provider
  o 1-855-252-8782
  o Hours of Operation, Central Time (CT)/Mountain Time (MT)
    ▪ Monday - Friday: 8:00 am – 4:00 pm CT/MT

• Interactive Voice Response (IVR)
  o Hours of Operation
    ▪ Eligibility and General Information
      ▪ 24 Hours a day 7 Days a week
    ▪ Full IVR Options
      ▪ Mondays: 5:00 am – 7:00 pm CT
      ▪ Tuesday – Friday: 3:00 am – 7:00 pm CT
      ▪ Saturdays: 5:00 am – 3:00 pm CT
  o Step-by-Step Guide
    ▪ JH Part A
    ▪ JH Part B

Beneficiary Contact Information

• Patient / Medicare Beneficiary
  o 1-800-MEDICARE (1-800-633-4227)
    ▪ http://www.medicare.gov/index.html
Novitasphere Part B

• What Can You Do With Novitasphere?

• Novitasphere is our free Part B Provider Portal which allows providers, including those providers that use a billing services or clearinghouses, to connect via the internet directly to Novitas Solutions to
  o Obtain beneficiary eligibility status
  o Check claim status
  o Submit claims
  o Retrieve and print remittance advices
  o Perform Claim Corrections/Reopenings

• Additional information including how to enroll can be found under the Novitasphere-Portal link on the left side bar of the Novitas Solutions website
  o https://www.novitas-solutions.com

Novitasphere Registration

• Step 1: Determine who the Security Official, or primary person from your office responsible for accessing the application, will be.

• Step 2: Complete the Electronic Data Interchange (EDI) Portal Enrollment form (8292P/8292PJH) found in the Enrollment section of the Novitasphere Center of our website

• Fax the completed form to 1-877-439-5479

• Step 3: Once the EDI enrollment form is approved, you will receive instructions to apply for a User ID for the Security Official, and the required next steps to set up access for your organization and End Users
Stay Up-to-Date

- Electronic Mailing List
  - Daily e-mail of the latest Medicare Updates
  - Subscribe JH

- Podcast
  - Weekly podcast of the latest Medicare Updates and other informative topics
  - Subscribe JH

- Educational Videos and Tutorials
  - JH
Novitas Medicare Learning Center

• Features
  o Create an individualized education account
  o Register for webinars, teleconferences, and workshops
  o Download your Continuing Education Unit (CEU) Certificates
  o Be placed on a waitlist if the educational event you register for is closed

• Benefits
  o Centralized location for all educational materials
  o Track all of the educational events you’ve attended
  o Access Medicare education 24 hours a day, 7 days a week with web-based training modules

• JH

Calendar of Events

• Our Education and Training Center offers a wide variety of education

• Join us for Workshops, Teleconferences, and Webinars

• The most current calendar of events
  o JH Part A
  o JH Part B
Centers for Medicare & Medicaid Services (CMS)

- The CMS website offers valuable resources such as
  - CMS Internet Only Manuals (IOMs)
  - Medicare Learning Network (MLN) Matters Articles
  - Open Door Forum

Thank You!