

# COMANAGEMENT & BILLING

## *for Premium Refractive Cataract Services*

Numerous premium refractive services are now available with cataract surgery to reduce eyeglass dependency. These include:

- presbyopia-correcting IOLs
- astigmatism correction with toric IOLs
- astigmatism correction with limbal relaxing incisions (manual or laser)

### PATIENT-SHARED BILLING

Surgeons have added costs to purchase premium IOLs and expensive instrumentation to achieve precise IOL centration that helps correct refractive error. In addition, extra counseling, peri-operative testing, and follow-up care are required. Due to the increased cost of these services, Medicare has given particular thought to the billing process.

Medicare will pay for the standard cataract portion of the lens and procedure, and patients pay out-of-pocket for additional costs associated with premium presbyopia and astigmatism-correcting options. This is known as patient-shared billing.

### PATIENTS MUST BE INFORMED

Patients need to be fully informed that cataract surgery with premium refractive services includes covered and non-covered items. They should receive a written estimate for non-covered services.

If the patient is stable after surgery and the surgeon approves, the patient can elect to receive post-operative care with their family eye doctor. But the surgeon must always provide the patient with the option of receiving post-operative care from the surgical practice.

### PACKAGE OF REFRACTIVE SERVICES

Typically, providers create a single package of premium refractive cataract services. This is done by estimating the value of additional services likely to be provided to the patient.

Examples of non-covered peri-operative care related to the refractive aspect of cataract surgery with premium IOLs and/or astigmatism correction may include such services as:

- Lifestyle and personality screening to determine if patients are candidates
- Refraction to determine refractive error
- Contact lens trial fitting to assess refractive error
- Pupillometry in dim and bright light
- Corneal topography to assess corneal shape
- Corneal pachymetry should LASIK enhancement be needed
- Any testing specific for premium refractive services not routinely performed for standard cataract surgery
- Additional peri-operative counseling regarding adjustment/adaptation to premium refractive services not routinely performed for standard cataract surgery
- Additional refractive monitoring including keratometry, corneal imaging and refractions
- Evaluation of additional incisions, including limbal relaxing incisions
- Further post-operative care if LASIK, limbal relaxing incision expansion, or IOL exchange is required

### FEES FOR NON-COVERED SERVICES

Each practice providing non-covered premium refractive cataract services should establish its own fees for these services and educate patients about the basis for the fees. Fees should be reasonable and reflect fair market value for similar covered services. An actuarial approach is one methodology that works well for determining fees based on work performed. This involves estimating the percentage of patients who will need specific services to obtain the desired outcome. A weighted average is then calculated based on your usual and customary charges.

CONTINUED

## COMANAGEMENT & BILLING *for Premium Refractive Cataract Services*

An example of this methodology to determine a package fee for non-covered premium refractive cataract services is as follows:

List every non-covered aspect of the pre-surgical and post-operative care you expect to provide patients desiring premium refractive cataract. Assign your usual and customary fee to each service in the package.

1. If you will provide personality screening and extra counseling to determine best candidates for premium refractive cataract services, list a reasonable fee for your additional time.
2. Determine the frequency that each service is likely to occur within the population of patients desiring premium refractive cataract services.
3. Multiply the frequency times the usual and customary fee to arrive at a weighted average fee for each service. For example, if 100% will receive life-style assessment and personality screening and related counseling, and the fee for this is \$50, then add \$50 to the package.
4. Total the weighted average of these charges to establish a package fee.

The package value is the sum of the component charges weighted according to the likelihood of delivering each service. This is similar to how CMS uses estimates for providers' time and effort to establish relative value units for various procedures.

Medicare's comanagement rules only provide instruction for covered services using the 80/20 concept, with post-operative care being 20% of the surgeon's fee. However, it is unwise to extrapolate this split for non-covered premium refractive cataract services. Instead, the comanaging physician should make a discrete charge for services rendered, consistent with usual and customary charges for services rendered.

PCLI has established a value for the non-covered peri-operative care that we provide. And we subtract the same amount each time a comanaging provider assumes the post-operative care of a patient who has received a premium refractive cataract service. If both astigmatism and presbyopia correction is achieved in one surgery, there still is only one peri-operative fee even though two elements were corrected.

### BOOKKEEPING

Office staff should make a clear distinction between covered and non-covered services when posting charges and payments. Use appropriate CPT and HCPCS codes to identify the pertinent items and services.

### HOW TO BILL PATIENTS

When patients elect to purchase your package of premium refractive cataract services:

- Provide a written estimate of your fees for non-covered services.
- Have patients sign an Advance Beneficiary Notice of Noncoverage (ABN) form. By doing so, beneficiaries accept financial responsibility for your non-covered services. Give them a copy and keep the original in your files.
- Do not submit non-covered charges to their insurance.
- Use your unique billing code.
- Collect the fee for your package of services.

### YOUR RESPONSIBILITY

This printed material is intended to help you understand the rules and regulations regarding reimbursement for non-covered premium cataract services. It is not legal advice or official reimbursement advice. The rendering provider must establish their own fees for services offered and is ultimately responsible for their appropriate billing, documentation, and coding.

### ADDITIONAL RESOURCES

Copies of this publication, our surgery fee schedule, and other comanagement resources are available at [www.odpcli.com](http://www.odpcli.com).

If you need more guidance regarding the appropriate billing for premium services or have other practice management questions, Corcoran Consulting Group at [www.corcoranccg.com](http://www.corcoranccg.com) is an excellent resource.