



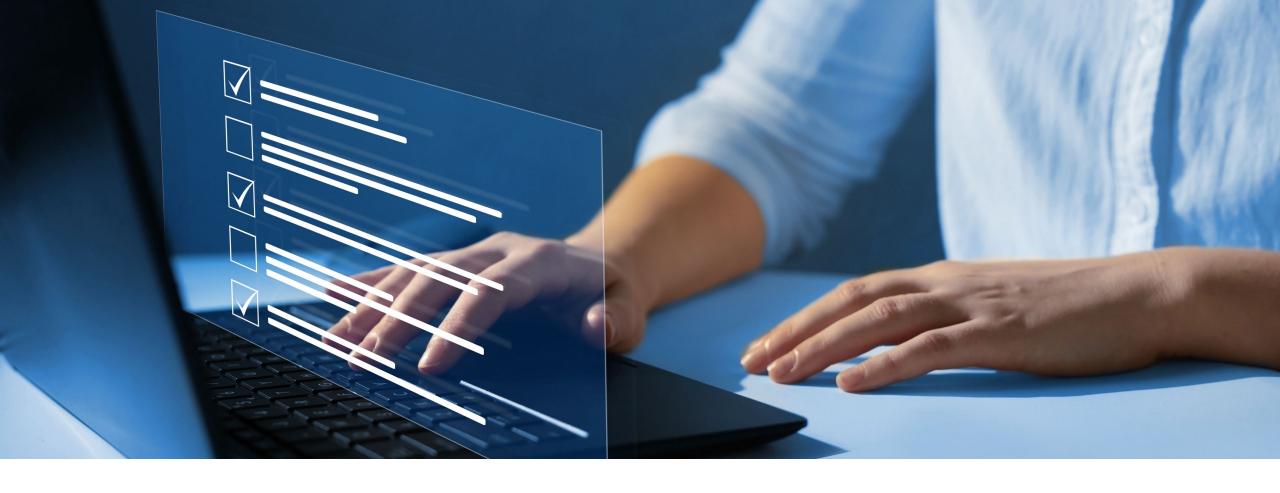


Introduction to Local Coverage Determinations and National Coverage Determinations: Learn What They Are and How to Find Them

6/4/2024





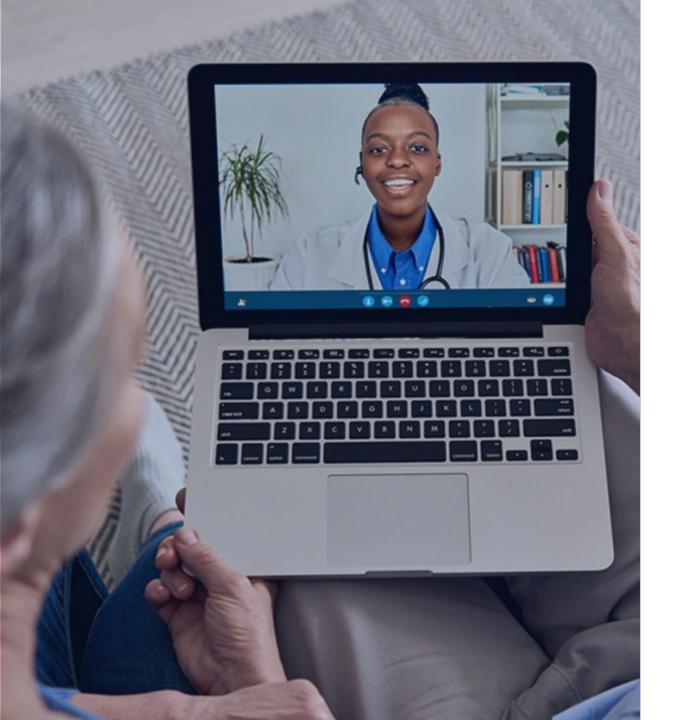


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# Objective

Gain a better understanding of NCDs and LCDs to ensure compliance with coverage, coding and billing





# Today's Presenter

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Provider Outreach & Education Consultant





# Agenda

Medicare Coverage Guidelines

NCD Overview

LCD Overview

Resources and References

Questions







# Medicare Coverage Guidelines

# Determining Covered Services

- CMS Internet-Only Manual (IOM) Publications
  - <u>100-02, Medicare Benefit Policy Manual</u>
    - Details on scope of covered Part A and Part B services
  - 100-03, Medicare National Coverage Determination (NCD) Manual
    - Sets policy for determining medical necessity for specific services
- Medicare Coverage Database
  - NCDs
  - LCDs





## NCDs versus LCDs

### NCDs

- CMS national decisions concerning specific service(s) that Medicare will or will not cover
  - Implemented nationally and do not vary by locations
  - Apply to all Medicare providers and Medicare contractors

### LCDs

- Policy decisions made by a MAC concerning whether to allow coverage of a particular item/service
  - Apply to all applicable services within that MAC's jurisdiction
  - Vary in language or implementation





# What if There Is No NCD or LCD?

- Check for coverage guidelines in CMS IOMs, CRs, MLN Matters articles
- Check the NGSMedicare.com website
- Check for related medical policy article
- Make sure service is not statutorily or administratively excluded
  - CMS IOM Publication 100-02, Medicare Benefit Policy Manual, Chapter 16, General Exclusions From Coverage
- If no written guidelines on coverage exist, you can request creation of new LCD
  - A56198: New Local Coverage Determination (LCD) Request Process





# NCD Overview

# What Are NCDs?

- Nationwide coverage instructions
  - Binding on all contractors
  - Apply to all Medicare claims
  - Established by CMS
  - Developed through evidence-based process, with opportunities for public participation





# Locating NCDs

- NCDs are assigned a numeric identifier and are published on CMS website
  - NCD alphabetical index and chapter/section index on CMS Medicare Coverage Database
  - CMS IOM Publication 100-03, National Coverage Determinations Manual
    - Organized into four "parts" based on NCD numeric identifier
  - New or revised NCDs are "announced" via CRs and instructions are manualized in applicable sections of IOMs



# Medicare National Coverage Process

### MEDICARE NATIONAL COVERAGE PROCESS

The Medicare National Coverage Process is a nine (9) month process. For the initial six (6) months, the following phases often include the following in the order listed:

Preliminary Discussions Benefit Category National Coverage Request Staff Review

External Technology
Assessment
And / Or
Medicare Coverage Advisory
Committee

Staff Review

Draft Decision Memorandum Posted The final three (3) months of the Medicare National Coverage Process include a thirty (30) day Public Comments phase, followed by a sixty (60) day requirement to complete the Final Decision Memorandum and Implementation Instructions phase.

Public Comments Final Decision Memorandum and Implementation Instructions

Upon completion of the Final Decision Memorandum and Implementation Instructions phase, two (2) further phases are possible: the Final Decision Memorandum and Implementation phase initiates an appeal or the Reconsideration phase will further initiate the Preliminary Discussions phase.

Final Decision Memorandum and Implementation Instructions Department Appeals Board

Or

Final Decision Memorandum and Implementation Instructions Reconsideration

Preliminary Discussions





# Proposed NCD Decision

- Proposed decision normally issued for public comment within six months of opening NCD review
  - 30 days for public comment
- No later than 60 days following 30-day comment period, final NCD issued



# Reconsideration of Existing NCD

- External request
  - Must file complete formal request for reconsideration in writing
- Internally generated request
  - New evidence supporting material change
  - CMS will seek public comments





## CMS Website

- Medicare Coverage Determination Process
  - Information on LCDs
  - How to request an NCD
  - Medicare coverage guidance documents
  - Medicare Coverage General Information
    - ICD-10 link: Transmittal (change request) updates related to NCDs
    - Lab NCDs ICD-10: Files containing lab NCD coding updates
- Medicare Coverage Center
  - CMS "home" for coverage information with links to valuable resources



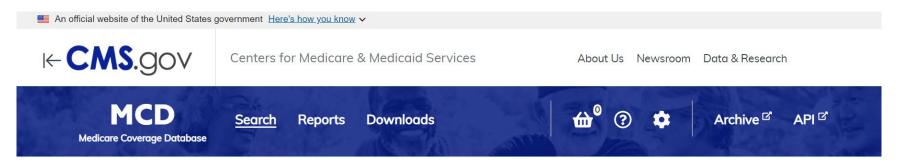
# Medicare Coverage Database

- Medicare Coverage Database
  - All NCDs & LCDs; Proposed NCD decisions
  - LCD billing and coding articles; Draft LCDs and articles
  - Coding Analyses for Labs (CALs)
  - Medicare Evidence Development & Coverage Advisory Committee (MEDCAC) proceedings
  - Technical Assessments (TAs)
  - Medicare coverage guidance documents

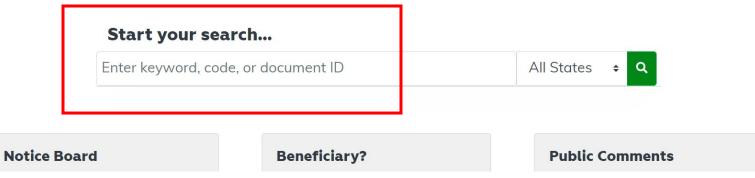


# How to Use the Medicare Coverage Database

• MLN® Educational Tool: <u>How to Use the Medicare Coverage</u> Database



### Welcome to the MCD Search





# **NCD-Automated Edits**

- NCDs enforced by automated claims processing system edits
- MACs receive implementation instructions prior to NCD enforcement and notify provider community
- Claims denied when they do not pass system edits for NCDs
- Examples:
  - 52NCD
  - 53NCD
  - 54NCD



# NCD-Related Claim Denials

Reason Code	Description
52NCD	Line level reason code to indicate that the HCPCS code and a diagnosis code on the claim matched an NCD edit table list to deny codes.
53NCD	All the line items on the claim have units of service that are in excess of the medically reasonable daily allowable frequency. The excess charges due to units of service greater than the maximum allowable may not be billed to the beneficiary and this provision can neither be waived nor subject to an ABN.
54NCD	Line level reason code to indicate that none of the diagnosis codes on the claim support the medical necessity of the services. Service denied and the provider is liable.



# Avoiding NCD-Related Claim Denials

- Ensure all Medicare coverage and medical necessity requirements met before billing
- If Medicare will not cover the services, consider submitting charges as noncovered
- Visit the <u>Medicare Coverage Database</u> to review NCDs and LCDs to determine covered diagnosis for services provided
- Review <u>Appeals</u> information on our website related to submitting an adjustment to correct claims partially denied by automated LCD/NCD denials.



# LCD Overview

# What Is an LCD?

- Determination by a MAC concerning whether a particular item or service should be covered on a contractor-wide basis
- Identification
  - LCD number: "L" followed by five digits
  - Billing and Coding Article: "A" followed by five digits





# Benefits of LCDs

- Administrative and educational tools to assist providers to submit correct claims for payment
- Help define Medicare coverage limitations for certain services
- Help reviewers to make consistent, accurate coverage decisions

NCDs supersede LCDs; however, an LCD may expand/clarify coverage and coding for an NCD



# How Are LCDs Developed?

- MACs develop LCDs on as-needed basis when they:
  - Determine that item or service should not be covered under certain circumstances
  - Discover problem that demonstrates significant risk to Medicare trust fund
  - Detect overutilization or misuse of items or services
  - Receive a request from external parties (beneficiaries, providers, or manufacturers)



# MAC Role in LCD Development

- MAC must ensure all LCDs are
  - Consistent with existing statutes, rulings, regulations, national coverage, payment and coding policies
    - Can supplement existing NCD but cannot supersede
  - Created and approved within established protocols
    - Allows for notification, review and comment by interested parties within specific timeframes
    - Three stages: Comment Period, Notice Period, Active Period



# LCD Components

- Consistent format includes the following sections:
  - Contractor information
  - CMS National Coverage Policy
  - CMS Publications
  - Coverage guidance
  - Summary of Evidence and Analysis of Evidence
  - General information
  - Revision history
  - Associated documents



# Billing and Coding Articles

- Include important coding guidelines and billing instructions not related to medical necessity
  - Each LCD has at least one related article
  - Links are found in Associated Documents section at bottom of an LCD
  - A link to related LCD is also found at end of each article
    - Links are only "live" in active LCDs and articles





# Draft LCDs

- Comment Period or "Draft" minimum of 45 days
  - MAC seeks scientific evidence and other scientific-based information related to the proposed LCDs
  - Begins when policy distributed to medical providers and organizations
  - Anyone can comment on LCD
  - May be presented to Contractor Advisory Committee



# Draft LCDs and Open Meetings

- Current draft/proposed LCDs found on CMS MCD
  - MCD Reports
    - Narrow search to "NGS" and "Proposed Policies"
    - Identify draft LCDs by ID beginning with DL followed by five digits
    - Draft identifies whether open or closed for comments
- Providers can participate in evaluation of draft/proposed LCDs in their contract type/region

NGS email updates contain information with "Open Meeting Announcement" and link to draft LCDs





# LCD Notice Period

- Notice Period 45 days
  - LCD finalized after review of documentation and comments
  - Not yet effective but posted to MCD so providers can prepare systems to implement
- Active Period Begins at end of "Notice Period"
  - Effective date noted in body of LCD

System edits activated for services indicated within LCD on/after effective period date



# LCD Automated Edits

- LCDs supported and enforced by automated system edits
  - 55A00, 55A01 This claim was denied by an automated system for not having a covered diagnosis in accordance with an LCD
- Provider may correct diagnosis by submitting a written request or submit an adjustment according to instructions in <u>Submit</u> <u>an Adjustment to Correct Claims Partially Denied by</u> <u>Automated LCD-NCD Denials</u>
  - NGS only accepts such claim adjustments for line-item denial reason codes: 55A00, 55A01, 52NCD, 53NCD, 54NCD and 59XXX series



# Retired LCDs

- Retired LCD
  - Not replaced by another local policy
  - Policy and any related editing no longer applies after retirement date
- Coverage guidelines
  - Based on national guidelines that exist for coverage and medical necessity determinations



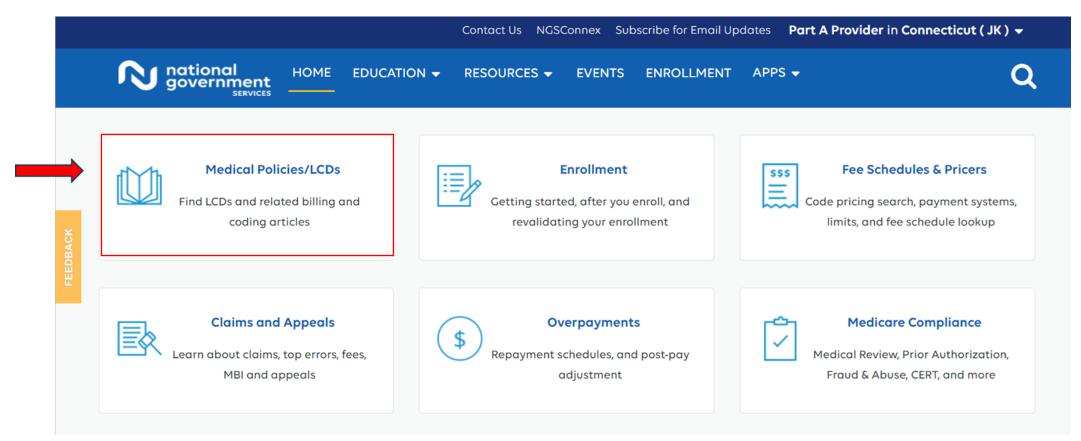
# LCD Reconsideration Process

- Mechanism by which interested parties can request revision to LCD
- Guidelines for LCD reconsideration requests
  - Medical Policy Article A52842: <u>Local Coverage Determination (LCD)</u> <u>Reconsideration Process</u>
- Questions about ongoing LCD reconsiderations can be sent to
  - NGS.LCD.reconsideration@elevancehealth.com



# Accessing Medical Policies/LCDs

NGS website





# NGS Medical Policy

- LCDs
- Billing and coding articles
- Medical policy articles







### Searching LCDs on NGS Website

#### MEDICAL POLICIES/LCDS

#### National Government Services Local Coverage Determinations

Welcome to Medical Policies. Below you will find the <u>LCDs</u>, related billing & coding articles and additional medical policy topics. When entering criteria into the search box, the search results will be conducted within the LCDs and the Medical Policy Articles shown below.

Please note: There are many procedures for which NGS does not have an LCD/Billing and Coding Article. If your search does not return any coverage documents, then NGS does not have a local coverage statement for that procedure.

For additional Medical Policy Topics, refer to the bottom of the page.

[View Draft Policies | View Future Effective LCDs | View Future Effective Billing & Coding Articles | National Coverage Determinations]



Local Coverage Determinations Medical Policy Articles

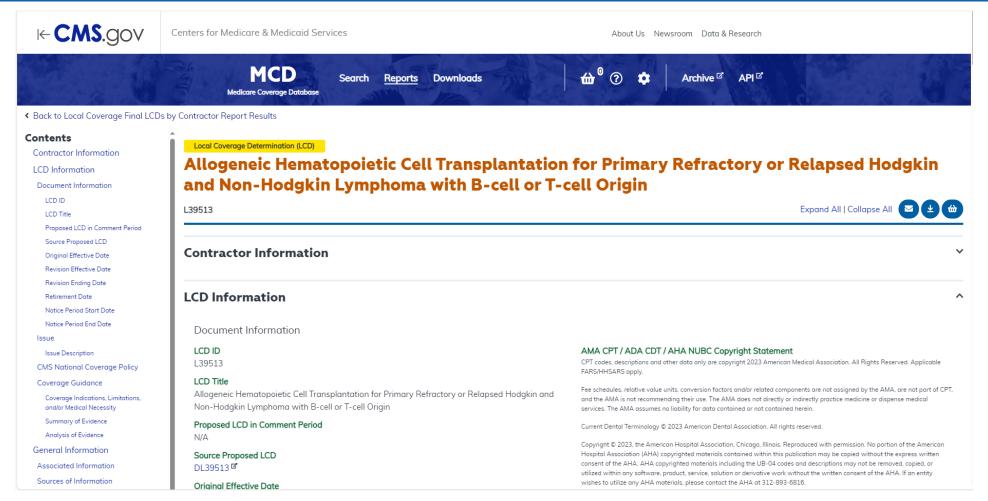
#### **Local Coverage Determinations**

LCD	LCD#	Billing and Codi	Response to Comments	Related <u>CPT/HCPCS</u> Codes
Allogeneic Hematopoietic Cell Transplantation for Primary Refractory or Relapsed Hodgkin and Non-Hodgkin Lymphoma with B-cell or T-cell Origin	L39513	A59311	A59451	38240
Related terms:				





### Viewing LCDs on the MCD





### Avoiding Administrative Burden

YouTube Video: 2021 Holistic Approach to Reducing Inquiries

• Seven steps to take before submitting your claim or inquiry







## Resources and References

### CMS Resources

- MLN Matters® MM10901: <u>Local Coverage Determinations</u> (<u>LCDs</u>)
- Federal Register / Vol. 78, No. 152 / Wednesday, August 7, 2013 / Notices
  - <u>Medicare Program; Revised Process for Making National Coverage</u> <u>Determinations</u>
- MLN® Educational Tool: <u>How to Use the Medicare Coverage</u> <u>Database</u>
- Medicare Coverage Determination Process
- Medicare Coverage Document Type Descriptions
- Medicare Coverage Database





### CMS IOM Resources

- CMS IOM Publications
  - 100-02, Medicare Benefit Policy Manual
  - 100-03, Medicare National Coverage Determinations (NCD) Manual
  - 100-04, Medicare Claims Processing Manual
  - <u>100-08, Medicare Program Integrity Manual, Chapter 13 Local</u> Coverage Determinations



### Medical Policy Resources

- Medical Policies/LCDs
- Contractor Advisory Committee (CAC)
- Investigational Device Exemption Requests
- LCD Open Meetings
- Medical Policy Contact Information
- A56198: <u>New Local Coverage Determination (LCD) Request</u> <u>Process</u>
- Medical Policy Article A52842: <u>Local Coverage Determination</u> (<u>LCD</u>) <u>Reconsideration Process</u>



### NGS Resources

- Submit an Adjustment to Correct Claims Partially Denied by Automated LCD-NCD Denials
- About Appeals
- Top Claim Errors
- Acronym Search





### Listen to Our Part A Podcast



### Navigating Medicare: Part A Insights for Providers

Listen to our podcast on Spotify and Apple Podcasts! We will have a new episode on the 1st and 3rd Wednesday of each month.

### Spotify:



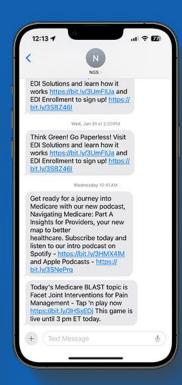
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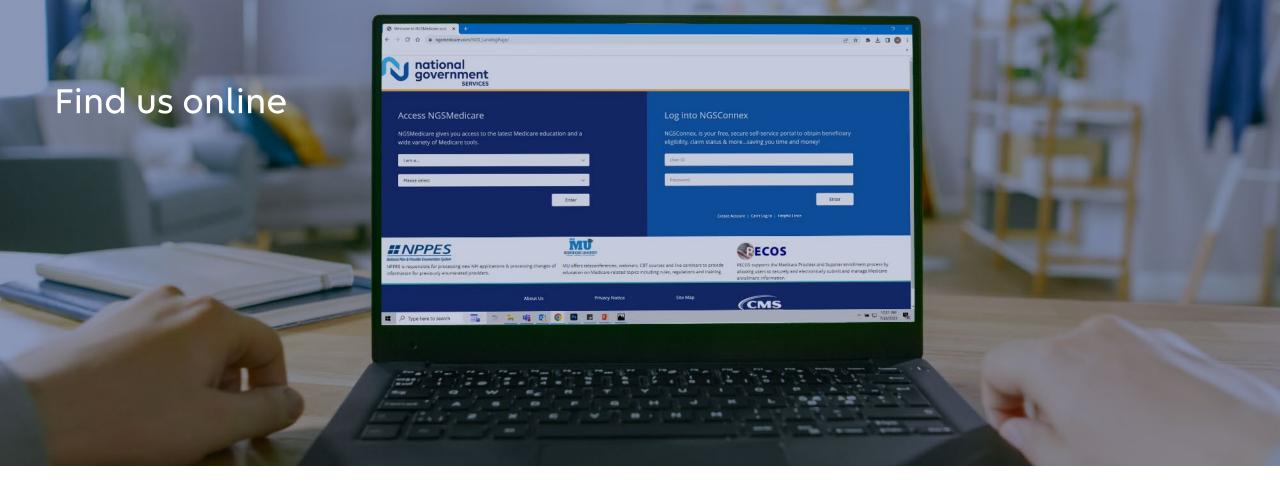
www.MedicareUniversity.com

Self-paced online learning











#### www.NGSMedicare.com

Online resources, event calendar, LCD/NCD, and tools



#### IVR System

The interactive voice response system (IVR) is available 24-hours a day, seven days a week to answer general inquiries



#### NGSConnex

Web portal for claim information



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# Questions?

Thank you!