2016 Coding reference sheet

PICO Service and PICO System
PICO is assigned to both CPT® codes and to an HCPCS code. Health plans determine the code type(s) to utilize.

CPT codes
Effective January 1, 2015, two new Category I CPT codes, 97607 and 97608, were established to report negative pressure wound therapy (NPWT) using disposable, non-durable medical equipment.

This includes:
+ Provision of exudate management collection system
+ Topical application(s)
+ Wound assessment
+ Instructions for ongoing care

The CPT codes are intended to include both the PICO supplies and service.

97607: Negative pressure wound therapy (eg vacuum assisted drainage collection), utilizing disposable, non-durable medical equipment including provision of exudate management collection system, topical application(s), wound assessment, and instructions for ongoing care, per session; total wound(s) surface area less than or equal to 50 square centimeters

97608: Negative pressure wound therapy (eg vacuum assisted drainage collection), utilizing disposable, non-durable medical equipment including provision of exudate management collection system, topical application(s), wound assessment, and instructions for ongoing care, per session; total wound(s) surface area greater than 50 square centimeters

HCPCS code
The HCPCS code is intended to include the PICO supply only. For reporting the PICO service, please contact the individual health plans for coverage and coding guidance.

A9272: Wound suction, disposable, includes dressing, all accessories and components, any type, each

Final determination of coverage for wound suctioning systems will be at individual carrier discretion. Please contact individual carriers for specific claim submission preferences.

Questions?
We have a dedicated team of reimbursement professionals to assist and support you and your patient’s needs — all day, every day.

Commercial insurers

PICO Device
Commercial Health Plans may instruct providers to report HCPCS code A9272 Wound Suction, Disposable, Includes Dressing, All Accessories and Components, Any Type, Each, for use in claims reporting of the PICO system. Final determination of coverage for wound suctioning systems will be at individual carrier discretion. Please contact individual carriers for specific claim submission preferences.

Billing PICO when used in the home
(Home Health Agency)
Because PICO may be used in the home, some health plans may cover the PICO System under their DME benefit or other benefit category. In that case, they may request that HCPCS code A9272 be reported. Final determination of coverage and payment will be at the carrier’s discretion.

<table>
<thead>
<tr>
<th>HCPCS Code¹</th>
<th>Description</th>
<th>2016 National Average Commercial DME Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>A9272</td>
<td>Wound Suction, Disposable, Includes Dressing, All Accessories and Components, Any Type, Each</td>
<td>Carrier discretion</td>
</tr>
</tbody>
</table>

Modifiers: In the case where a health plan may cover the PICO device as DME, providers may also be required to submit specific DME modifiers.

<table>
<thead>
<tr>
<th>DME Modifier</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>-NU</td>
<td>New equipment purchase</td>
</tr>
</tbody>
</table>

PICO topical application and wound assessment
Individual Health Plans may instruct providers to report the PICO service and CPT codes 97607 and 97608.

This includes:
+ Provision of exudate management collection system
+ Topical application(s)
+ Wound assessment
+ Instructions for ongoing care

Please contact the individual health plans for coding guidance on reporting the PICO service.

Reimbursement Hotline
1-888-705-0061
+ Fax for insurance benefit verification: 1-800-472-3848
+ www.possiblewithpico.com/economics/reimbursement
Medicare

Physician services (physicians office)
Provided that the NPWT service is medically necessary, any physician claims submitted for PICO® reporting CPT® codes 97607 and 97608 will be priced in CY 2016 under the Medicare Physician Fee Schedule on an individual claim basis by each Medicare contractor. On the Medicare Physician Fee Schedule codes 97607 and 97608 have a status code of C = Carriers will price the code. The carrier will establish the Relative Value Units (RVUs) and payment amounts for these services. Complete description and documentation must be submitted to support the service.

4 items that should be included in the narrative field of the electronic claims:
+ Product name
+ Product number
+ Size of product
+ Invoice price per package

Please contact individual contractors for submission of invoices for pricing or call the PICO Hotline for assistance.

<table>
<thead>
<tr>
<th>CPT Code</th>
<th>2016 Medicare National Average Payment*</th>
</tr>
</thead>
<tbody>
<tr>
<td>97607</td>
<td>Carrier priced</td>
</tr>
<tr>
<td>97608</td>
<td>Carrier priced</td>
</tr>
</tbody>
</table>

Global Period
In the final CY 2016 Medicare Physician Fee Schedule rule, Addendum B, CMS has assigned CPT codes 97607 and 97608 a global period indicator of “XXX” (Global concept does not apply). Other CPT codes may be assigned a global period of 0, 10, 90 days, or “YYY” which is established by the contractor.

Hospital inpatient
Medicare does not separately reimburse hospitals for the PICO System when performed in the inpatient setting, if covered, payment for the PICO System is included in the MS-DRG for the primary procedure in which it is used. Physician services are separately billable and are reported with the new CPT codes 97607 and 97608.

Ambulatory surgical center
CPT codes 97607 and 97608 are not recognized as a covered service by Medicare when performed in Ambulatory Surgical Centers.

Hospital outpatient department (HOPD)
For CY 2016 Medicare has assigned CPT codes 97607 and 97608 (single use non-DME powered negative pressure wound therapy to Ambulatory Payment Classification (APC) Group 5052 Level II Debridement and Destruction with a status indicator of T (procedure or service subject to multiple procedure reduction), provided that the NPWT service is medically necessary. The national average payment for CY 2016 is $225.55.

<table>
<thead>
<tr>
<th>CPT Code</th>
<th>APC</th>
<th>Status Indicator</th>
<th>2016 Medicare National Average Payment*</th>
</tr>
</thead>
<tbody>
<tr>
<td>97607</td>
<td>5052</td>
<td>T</td>
<td>$225.55</td>
</tr>
<tr>
<td>97608</td>
<td>5052</td>
<td>T</td>
<td>$225.55</td>
</tr>
</tbody>
</table>

*Status Indicator “T” paid separately; subject to multiple procedure reduction.

Medicaid
For reporting the PICO Service and PICO System please contact the individual health plans for coverage and coding guidance.

Other sites of services
For coverage and coding guidance of the PICO System when provided in other sites of services (eg, Home Health Care and Long Term Care Hospitals) please contact the individual health plans.

Indications for use
PICO is indicated for:
+ Chronic wounds
+ Acute wounds
+ Traumatic wounds
+ Subacute and dehisced wounds
+ Partial-thickness burns
+ Ulcers (such as diabetic or pressure)
+ Flaps and grafts
+ Closed surgical incisions

24/7 Reimbursement Hotline
1-888-705-0061
+ Fax for insurance benefit verification: 1-800-472-3848
+ www.possiblewithpico.com/economics/reimbursement

The information contained in this document is not intended to guarantee coverage or reimbursement, and Smith & Nephew makes no other representations as to selecting codes for procedures or compliance with any other billing protocols or prerequisites. As with all claims, individual physicians are responsible for exercising their independent clinical judgment in selecting the codes that most accurately reflect the patient’s condition and procedures performed. Providers should refer to current, complete, and authoritative publications or insurer policies for selecting codes based on the care rendered to an individual patient, and may wish to contact individual carriers, fiscal intermediaries, or other third-party payers as needed for specific information on coverage policies and claims reporting preferences.

For detailed product information, including indications for use, contraindications, effects, precautions and warnings, please consult the product’s Instructions for Use (IFU) prior to use.

References
2. Medicare Programs: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs, Short Inpatient Hospital Stays; Transition for Certain Medicare-Dependent, Small Rural Hospitals Under the Inpatient Prospective Payment System, Provider Administrative and Judicial Review; Final Rule, Federal Register Vol. 80, No 219, November 13, 2015, 42 CFR Parts 405, 410, 412 et al. Addendum B

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