

2018 Fixation Device Reimbursement Fact Sheet (ETHICON SECURESTRAP® Open Absorbable Strap Fixation Device)

The ETHICON SECURESTRAP® Open Absorbable Strap Fixation Device is intended for fixation of prosthetic material to soft tissue in open surgical procedures, such as hernia repairs.

The information contained in this document is provided for informational purposes only and represents no statement, promise, or guarantee by Ethicon concerning levels of reimbursement, payment, or charge. Similarly, all CPT, ICD-10 and HCPCS codes are supplied for informational purposes only and represent no statement, promise, or guarantee by Ethicon that these codes will be appropriate or that reimbursement will be made. It is not intended to increase or maximize reimbursement by any payor. CPT codes and descriptions are copyright 2017 American Medical Association. ICD-10 codes and descriptions are copyright 2017 World Health Organization; revise for use in the United States by the Centers for Medicare and Medicaid Services (CMS) and the Centers for Disease Control and Prevention's (CDC) National Center for Health Statistics (NCHS). Healthcare Common Procedure Coding System (HCPCS) Level II codes and descriptions are copyright 2017 CMS. While we have made an effort to provide information that is current at the time of its issue, the information may not be as current or comprehensive when you view it. We strongly recommend that you consult your counsel, reimbursement specialist or payor organization with regard to reimbursement policies. Physicians should refer to their provider Carrier Manual for their geographic payment.

Finding the appropriate ICD-10-PCS Code¹

STEP 1: Using the table below, select the appropriate codes from each column in the respective order.

Procedure Code	Body Part	Approach	Device	Qualifier
ØWU: General Anatomical Region Supplement	F Abdominal Wall	Ø Open 4 Percutaneous Endoscopic	7 Autologous Tissue Substitute J Synthetic Substitute K Nonautologous Tissue Substitute	Z No Qualifier
ØWQ: General Anatomical Region Repair	F Abdominal Wall	Ø Open 3 Percutaneous 4 Percutaneous Endoscopic	Z No Device	Z No Qualifier

STEP 2: Combine the code in the respective order from left to right. This is your ICD-10-PCS Code.

For example, the code for **General Anatomical Region Abdominal Wall Supplement Open Approach (ØWUFØJZ)** would be created in the steps below:

Example: STEP 1: Procedure Code ØWU + Body Part F + Approach Ø + Device J + Qualifier Z = **STEP 2: ØWUFØJZ**

Coding & Payment

While open hernia repairs are currently performed in the outpatient and inpatient setting, hernia repairs using ETHICON SECURESTRAP® Open Absorbable Strap Fixation Device are performed in the inpatient setting on abdominal wall and hernia repair patients. There are several CPT codes for hernia repair which describe applicable techniques.

To comply with Medicare and third-party payor requirements, claim forms must indicate the most appropriate ICD-10 procedure(s) and diagnosis(s) applicable. Abdominal hernia repair procedures are assigned to the above Medicare ICD-10 procedure codes for inpatient settings:

Surgeon CPT, DRG & HCPCS Codes

Open Procedures

Surgeon CPT Code ²	PROCEDURE	NATIONAL AVERAGE MEDICARE PAYMENT ³
4956Ø	Repair initial incisional or ventral hernia; reducible	\$768
49561	Repair initial incisional or ventral hernia; incarcerated or strangulated	968
49565	Repair recurrent incisional or ventral hernia; reducible	799
49566	Repair recurrent incisional or ventral hernia; incarcerated or strangulated	977
49568	Implantation of mesh or other prosthesis for open incisional or ventral hernia repair or mesh for closure of debridement for necrotizing soft tissue infection (List separately in addition to code for the incisional or ventral hernia repair)	279

Surgeon CPT, DRG & HCPCS Codes (continued)

Hospital (Facility) Overview for Incisional and Ventral Hernia

Medicare reimburses inpatient hospital services based on the DRG associated with the principal diagnosis and procedures. Private payor reimbursement varies and is typically based on the contract negotiated between the provider and payor.

INPATIENT FACILITY

DRG	DESCRIPTION*	AVERAGE LENGTH OF STAY (DAYS) ²	NATIONAL AVERAGE DRG PAYMENT ⁴
353	Hernia repairs except inguinal and femoral with MCC	8.1	\$18,139
354	Hernia repairs except inguinal and femoral with CC	4.8	10,388
355	Hernia repairs except inguinal and femoral without CC/MCC	3.1	7,959

*CC stands for Complications and Comorbidities while MCC refers to Major Complications and Comorbidities. These are a measure of the severity of an illness indicating additional diagnoses present on a case that MAY increase the expected resource consumption beyond that of the same case without a CC or MCC under the current Medicare definition. Whether a complication or comorbidity is classified as a CC or MCC is defined by Medicare.

HCPCS CODE⁵

Mesh Implant

C1781	Mesh (Implantable)	Carrier Priced
-------	--------------------	----------------

HCPCS is the acronym for the Healthcare Common Procedure Coding System. These codes are frequently used to report supplies and services that are not assigned a Level II CPT code. In some instances, private payor and/or Medicare may provide additional reimbursement for some HCPCS codes. Facilities may use them to track device costs on the facility charge master or super bill. Currently there is no additional reimbursement for ETHICON SECURESTRAP® Open Absorbable Strap Fixation Device as it is considered packaged and not separately reimbursable. However, coding guidelines indicate that the mesh code and the appropriate procedure code should be reported.

Coverage

Hernia Repair procedures performed with the ETHICON SECURESTRAP® Open Absorbable Strap Fixation Device are covered for patients who meet the criteria dictated within each payor's policy. However, it is important to review a payor's policy requirements annually to ensure no modifications or additional requirements must be met for coverage. Providers may experience denial of claims if the prerequisites are not met in their entirety.

OUTPATIENT FACILITY

Hospital Outpatient Department

APC	APC DESCRIPTION	STATUS INDICATOR	NATIONAL AVERAGE MEDICARE PAYMENT ⁶
5341	Abdominal/Peritoneal/Biliary & Related Procedures (CPT Codes: 49560, 49561)	J1	\$2,911
5361	Level 1 Laparoscopy & Related Services (CPT Codes: 49565, 49566)	J1	4,488

1. Hospital ICD-10-PCS Procedural Coding System, American Medical Association. Copyright © 2017 2. All Current Procedural Terminology (CPT) five digit numeric codes, descriptions, numeric modifiers, instructions, guidelines and other material are copyright 2017 American Medical Association 3. Medicare Physician Fee Schedule (MPFS), Final Rule [CMS-1676-F], Federal Register, Vol. 82, No. 219, Wednesday, November 15, 2017, 2018 Physician Conversion Factor (CF) = \$35.9996 4. Medicare Inpatient Prospective Payment System Final Rule [CMS-1677-F], Federal Register (Vol. 82, Issue 155), Monday, August 14, 2017; Final National Average DRG Payment. 5. All Healthcare Common Procedure Coding System (HCPCS) Level II alpha-numeric codes, descriptions, instructions, guidelines and other material are copyright 2017 Centers for Medicare & Medicaid Services (CMS). All Rights Reserved. 6. Medicare Hospital Outpatient Prospective Payment and Ambulatory Surgery Center Payment Systems Final Rule [CMS-1678-F], Federal Register, Vol. 87, No. 239, Thursday, December 14, 2017; Final National Hospital Average APC Payment.

Ethicon Reimbursement Support Program - (888) 750-1242