



Comparative Billing Report

February 7, 2014

CBR #: CBR201402
NPI: 1111111111

FAX#: &fax.

&name.
&street.
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Dear Medicare Provider:

The Centers for Medicare & Medicaid Services (CMS) strives to protect the Medicare Trust Fund and effectively manage Medicare resources. In an effort to accomplish these goals, CMS has contracted eGlobalTech, a professional services firm in Arlington, VA, to develop Comparative Billing Reports (CBRs). CBRs are designed to educate providers on their billing or referral patterns in comparison to other providers for selected study topics. eGlobalTech distributes this data to individual providers so they can monitor and continuously improve their billing practices in these study topics.

Attached is a CBR that is designed to reflect your billing or referral patterns compared to peer providers billing or referring the same services in your state and nationwide. We hope you find this CBR beneficial as an educational tool which may assist you in identifying opportunities for improvement. If you have any questions regarding this CBR, or if you want to change the way you receive CBRs in the future, please contact the CBR Support Help Desk via:

- Calling the Toll Free Number, 1-800-771-4430;
- Sending an email to cbrsupport@eglobaltech.com;
- Visiting the website at www.cbrinfo.net.

REMINDER: If you have changed your mailing address or contact information and have not notified the National Plan and Provider Enumeration System (NPPES) and/or CMS' provider enrollment contractor via the internet or the appropriate Medicare enrollment application, please take time to review and update the system.

You can update your National Provider Identifier (NPI) on NPPES at <https://nppes.cms.hhs.gov/NPPES>. If you have forgotten your User ID and/or password, or need assistance, contact the NPI Enumerator at 1-800-465-3203 or email customerservice@npienumerator.com.

For more information regarding the Medicare enrollment process or to obtain a copy of the Medicare enrollment application for your provider type, refer to <http://www.cms.gov/MedicareproviderSupenroll>.

We thank you for your cooperation and hope you find the attached report informative and educational.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kasey Curtis'.

Kasey Curtis
CBR Project Director
eGlobalTech

Enclosure

Comparative Billing Report (CBR): NPI 1111111111

Upper Limb Orthoses (ULO)

Introduction

This CBR focuses on durable medical equipment, prosthetics/orthoses, and supplies (DMEPOS) suppliers that provide ULO to Medicare beneficiaries. National data analysis comparing claims with dates of service from July 2010 to June 2011 and July 2012 to June 2013 indicated a 22% increase in the allowed charge for ULO while the allowed charge overall for DMEPOS items showed a 2% decrease. Wrist/Hand orthoses account for 64% of the total allowed charge and 74% of the total services for the entire policy group. The focus of this CBR is specifically on Wrist/Hand and Wrist/Hand/Finger orthoses. These devices were further categorized as Custom Fabricated and Prefabricated for comparison and educational purposes. This CBR examines:

- The increased allowed charges for Custom and Prefabricated ULO
- The average number of services per beneficiary
- Use of Right and Left modifiers

Table 1 includes the Healthcare Common Procedure Coding System (HCPCS) codes, categories, and descriptions for ULO examined in this CBR.

**Table 1: Upper Limb Orthoses
Grouped by Category, HCPCS Code, and Description**

Category	HCPCS Code	Description
Custom	L3806	Wrist, hand, finger orthosis with joint(s): Custom Fabricated
Custom	L3808	Wrist, hand, finger orthosis rigid without joint(s): Custom Fabricated
Custom	L3905	Wrist, hand orthosis with joint(s): Custom Fabricated
Custom	L3906	Wrist, hand orthosis without joint(s): Custom Fabricated
Prefabricated	L3807	Wrist, hand, finger orthosis without joint(s): Prefabricated
Prefabricated	L3908	Wrist, hand orthosis extension control cock-up, non-molded: Prefabricated
Prefabricated	L3915	Wrist, hand orthosis with joint(s): Prefabricated
Prefabricated	L3931	Wrist, hand, finger orthosis with joint(s): Prefabricated

Documentation and Billing Overview

Suppliers must receive, and have on file, all required physician-generated documentation to ensure coverage and reimbursement. Documentation must be maintained and available upon request for a seven year period. Suppliers should educate physicians on required documentation to justify ULO. When billing for ULO, it is important to enter the appropriate modifier to indicate the side of the body targeted for treatment.

Coverage Documentation Requirements:

- Detailed written order, signed and dated by treating physician
- Medical necessity evidence obtained from patient medical record
- Proper use and equipment care instructions provided to beneficiary and/or caregiver

Proof of Delivery (POD) Documentation:

- Item(s) delivered by supplier directly to beneficiary: POD must be a legibly signed/dated delivery slip with beneficiary name, address, detailed description of item(s) delivered, quantity delivered, date delivered, and dated beneficiary signature
- Item(s) delivered via shipping or delivery service to beneficiary: POD must also include information tracking item(s) from the supplier to the beneficiary (e.g., package identification number or supplier invoice number) and evidence of delivery
- Items(s) delivered to nursing facility: supplier must also have information from nursing facility to verify item(s) delivered were provided and used by beneficiary

Situations requiring a new order:

- Change in the order
- Replacement of the item
- Change in the supplier
- Expired length of need on the previous order

Modifiers: Billing modifiers provide additional information about a service and may effect payment. Suppliers should review service order and modifier descriptions to ensure accurate reporting for correct reimbursement. Billing modifiers appropriate for ULO are listed below:

- RT modifier to indicate orthosis for right side
- LT modifier to indicate orthosis for left side
- RT/LT modifier to indicate a bilateral service with two devices
- EY modifier for use when no order is obtained
- GA modifier for use when an advance beneficiary notice (ABN) was obtained
- GZ modifier for use when an ABN was not obtained

Custom Fabricated: An item that is individually made for a specific patient and fabricated based on clinically derived and rectified castings, tracings, measurements, and/or other images of the body part. Custom fabrication requires the use of materials in the form of uncut or unshaped basic forms and involves substantial work prior to fitting on the patient.

References

The coverage and documentation guidelines listed below have been furnished for each geographic region and contractor. Please follow the guidelines pertinent to your region.

- DME MAC Suppliers Manual
- Jurisdiction A
- Jurisdiction B
- Jurisdiction C
- Jurisdiction D
- Office of Inspector General (OIG) Orthotics Report, October 2012, OEI-07-10-00410
- Office of Inspector General (OIG) Orthotics Report, March 2000, OEI-02-99-00121
- Office of Inspector General (OIG) Orthotics Report, October 1997, OEI-02-95-00380
- Medicare Fee-for-Service 2012 Improper Payments Report, October 2012
- Medicare Fee-for-Service 2012 Improper Payments Report Supplementary Appendices, November 2012
- Medicare Claims Processing Manual, Chapter 20
- Medicare Benefit Policy Manual, Chapter 15

Methodology

This report's wrist/hand HCPCS codes are grouped into custom fabricated and prefabricated categories. Only allowed services for the HCPCS codes listed in Table 1 are included in the analysis. All included services are based on the final processed amount as of January 1, 2014.

The primary analysis focuses on the average allowed services per beneficiary per year for the combination of all HCPCS codes in Table 1. The average allowed services per beneficiary for you, your state, and the nation are calculated as follows:

Total Allowed Services / Total Number of Beneficiaries.

Further analysis focuses on the modifiers RT and LT. First, the percentage of beneficiaries receiving an upper limb orthosis for the right and the left wrist is calculated for you, your state, and the nation as follows:

(Count of Beneficiaries with at Least Two Allowed Services with Modifiers RT and LT / Count of Beneficiaries with Allowed Services) x100.

Second, the percentage of claim lines with nonspecific RT or LT modifiers are calculated for you, your state, and the nation as follows:

(Count of Claim Lines with Nonspecific RT or LT Modifiers / Total Count of Claim Lines) x 100.

A claim line is determined to be nonspecific if a RT or LT modifier is not listed on the claim or if both RT and LT modifiers are listed for a single unit of service.

Results

Table 2 summarizes your allowed charge by category for the two indicated time periods. The percent change in your allowed charge over time for each category and for both categories combined are included. Your state and national percent change over the same time periods are listed for comparison.

**Table 2: Summary of Allowed Charge and Percent Change by Category from July 2010 - June 2011 as Compared to July 2012 - June 2013
Rendered by You, Your State, and Nation**

Category	Your Allowed Charge July 2010 - June 2011	Your Allowed Charge July 2012 - June 2013	Your Percent Change	State Percent Change	National Percent Change
Custom	\$34,078	\$36,771	8%	3%	4%
Prefabricated	\$5,781	\$7,041	22%	59%	20%
Total	\$39,859	\$43,812	10%	28%	16%

Figure 1 shows the distribution of average allowed services per beneficiary for all suppliers within your state (IN) for the HCPCS codes evaluated. Your average allowed services per beneficiary, within the distribution for all suppliers in your state, is depicted as a star in the figure below.

* Your Average Allowed Services per Beneficiary.

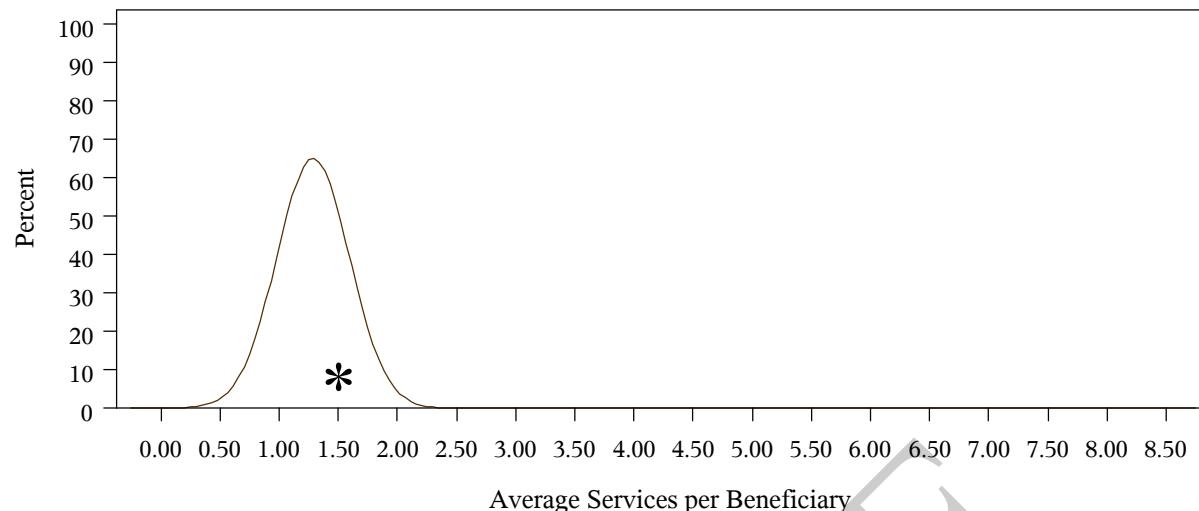


Figure 1: Average Allowed Services per Beneficiary for Suppliers in Your State from July 2012 - June 2013

* Your Average Allowed Services per Beneficiary.

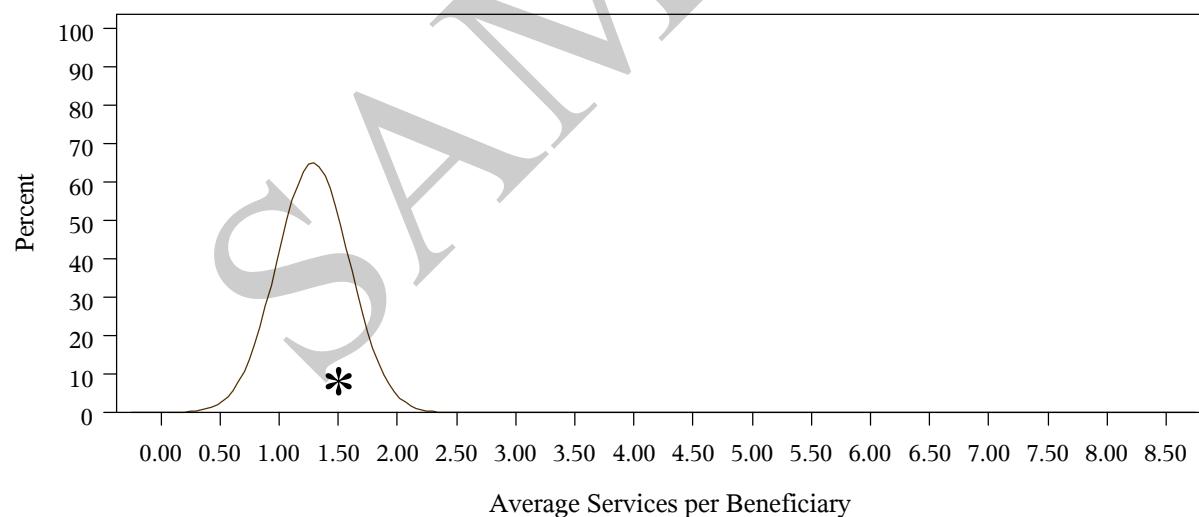


Figure 2: Average Allowed Services per Beneficiary for Suppliers Nationally from July 2012 - June 2013

Table 3 provides a statistical comparison of your average allowed services per beneficiary to those of your state and the nation. If "Higher" is listed under the column heading(s) Comparison with Your State and/or the National Average, then your allowed services per beneficiary are significantly higher than the allowed services per beneficiary of your state and/or the nation.

Table 3: Statistical Comparison of Average Allowed Services per Beneficiary Rendered by You, Your State and Nation from July 2012 - June 2013

Your Average Services per Beneficiary	Your State's Average Services per Beneficiary	Comparison with Your State's Average	National Average Services per Beneficiary	Comparison with the National Average
1.52	1.23	Higher	1.25	Higher

A T-test was used in this analysis, alpha = 0.05.

Figure 3 represents the use of RT and LT modifiers. The percentage of beneficiaries receiving ULO for both right and left wrist/hand as well as the percentage of claim lines with nonspecific RT and LT modifiers are illustrated for you, your state, and the nation.

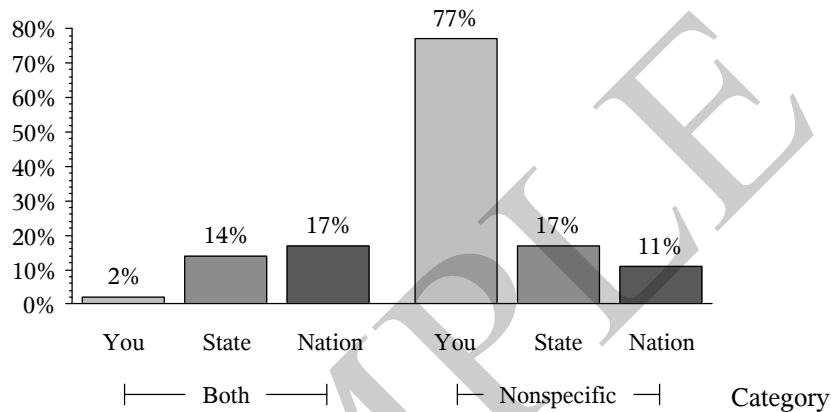


Figure 3: Utilization of RT/LT Modifiers, Percentage of Beneficiaries Receiving ULO for Both Right and Left Wrist/Hand and Percentage of Claim Lines with Nonspecific RT/LT Modifiers Compared to Your State and Nation from July 2012 - June 2013

Table 4 reflects a statistical comparison of the percentage of beneficiaries receiving ULO for both right and left wrist/hand as well as the percentage of claim lines with nonspecific RT and LT modifiers for you, your state, and the nation. If "Higher" is listed in the Comparison to Your State and/or the Nation column(s), then your percentage is significantly higher than the percentage of your state and/or the nation.

Table 4: Comparison of Your Percentage of Beneficiaries Receiving ULO for Both Right and Left Wrist/Hand and Percentage of Claim Lines with Nonspecific RT/LT Modifiers Compared to Your State and Nation from July 2012 - June 2013

Category	Your Percentage	Your State's Percentage	Comparison to Your State	National Percentage	Comparison to the Nation
Beneficiaries Receiving ULO for Both Right and Left Wrist/Hand	2%	14%	Does Not Exceed	17%	Does Not Exceed
Claim Lines with Nonspecific RT/LT Modifiers	77%	17%	Higher	11%	Higher

A Chi-Square test was used in this analysis, alpha = 0.05.

Resources

The following resources are pertinent to this CBR and may assist providers with policy development to address areas of concern:

- Off-The-Shelf (OTS) Orthotic HCPCS Codes
- CMS DME Center
- DMEPOS Supplier Standard
- DMEPOS Quality Standards
- Medicare Learning Network® (MLN) Fact Sheet Grandfathering Requirements for Non-Contract Suppliers
- American Orthotic and Prosthetic Association

The Next Steps

We encourage you to perform a self-audit to determine the accuracy of your billing and adherence to Medicare policy guidelines. Use the Documentation and Billing Overview and Reference sections supplied above as a guide.

Join us for the CBR201402 webinar on Wednesday, February 26, 2014 from 3:00 - 4:00 PM ET. Space is limited, so please register early.

Register online at <http://engage.vevent.com/rt/cbr~022614>.

If you are unable to attend, you may access a recording of the webinar two days following the event at the website above.

For detailed links to information listed in the references and resources section visit <http://www.cbrinfo.net/cbr201402.html>.

Contact Information

If you have questions or suggestions pertaining to this CBR, please contact the CBR Support Help Desk via email at CBRSupport@eglobaltech.com or via telephone at (800) 771-4430.