

RELI Group  
7125 Ambassador Drive, Suite 100  
Windsor Mill, MD 21244



December 14, 2022

CBR #: CBR202210  
Bronchodilator Nebulizer Medications

First Last, Credential  
Address  
City, State, ZIP

NPI #: 1234567890  
Fax #: 1-XXX-XXX-XXXX

Dear Medicare Provider:

The Centers for Medicare & Medicaid Services (CMS) strives to protect the Medicare Trust Fund and effectively manage Medicare resources. To support these goals, CMS has contracted with the RELI Group to develop this Comparative Billing Report (CBR), and to support providers with its use.

CMS routinely distributes an educational tool, known as a CBR, to the provider community in a variety of Medicare Fee-for-Service service areas. A CBR reflects a specific provider's billing and/or prescribing patterns as compared to his/her peers' patterns for the same services in his/her state or specialty, and nationwide. The CBR is intended to enhance accurate billing and/or prescribing practices and support providers' internal compliance activities. The report is not an indication of wrongdoing, and can support internal compliance review efforts, especially those related to coding and billing of code sets. Receiving a CBR is not an indication of, or precursor to, an audit, and it requires no response on a provider's part. Selected providers, however, may be referred for additional review and education as a part of CMS' routine CBR Program.

This CBR provides data regarding your claims submission, as compared to other providers' claims submission within your specialty, and in the nation.

Please carefully review this report. You may wish to check your records against data in CMS' files and review Medicare guidelines to ensure compliance. Contact your Medicare Administrative Contractor (MAC) with specific billing or coding questions. As appropriate, please share this CBR with others who may benefit from and/or assist with interpreting the data provided in the report.

**To access an electronic copy of your CBR:** [Visit the secure CBR portal](https://cbrfile.cbrpepper.org/) at <https://cbrfile.cbrpepper.org/>. Populate the fields, and in the "validation code" field, enter your unique validation code: AccessCode.

**For more information:** Please access a recorded webinar and additional resources at [CBR.CBRPEPPER.org](https://CBR.CBRPEPPER.org). [Register](#) for a live webinar on Dec. 21, 2022, 3 p.m. ET.

**To request assistance or submit questions:** [Contact the CBR Help Desk](https://cbr.cbrpepper.org/Help-Contact-U.S) at <https://cbr.cbrpepper.org/Help-Contact-U.S>.

Sincerely,

The CBR Team

REMINDER: Please ensure your email address and fax number are updated in the following systems:

- [National Plan and Provider Enumeration System](https://nppes.cms.hhs.gov/#/) (NPPES): <https://nppes.cms.hhs.gov/#/>
- [Provider Enrollment, Chain, and Ownership System](https://pecos.cms.hhs.gov/pecos/login.do#headingLv1) (PECOS):  
<https://pecos.cms.hhs.gov/pecos/login.do#headingLv1>

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**Comparative Billing Report (CBR) 202210**  
**December 14, 2022**

**Bronchodilator Nebulizer Medications**

**Introduction**

CBR202210 focuses on providers listed as referring providers on Medicare Part B claims for bronchodilator nebulizer medications. These medications are classified as durable medical equipment (DME) products. The report and analysis focus on the Healthcare Common Procedure Coding System (HCPCS) codes J7605, J7606, J7613, J7614, J7620, and J7644, referred to in this document and analysis as “bronchodilator nebulizer medications.”

For the purpose of this document and analysis, HCPCS codes J7605 and J7606 will be referred to as “long-acting beta-agonists” (LABAs), HCPCS codes J7613 and J7614 will be referred to as “short-acting beta agonists” (SABAs), HCPCS code J7620 will be referred to as a “combination short-acting beta agonist with anticholinergic” (SABA/AC), and HCPCS code J7644 will be referred to as a “short-acting anticholinergic” (SAAC).

The CBR analysis was based on claims extracted from the Integrated Data Repository, based on the latest version of claims available on Nov. 2, 2022. The analysis includes claims with dates of service from July 1, 2021, through June 30, 2022. For the trend analysis presented in Figure 1, claims represent dates of service between July 1, 2019 and June 30, 2022. For the trend analysis presented in Figure 2, claims represent dates of service from July 1, 2021, through June 30, 2022.

The [2021 Medicare Fee-for-Service Supplemental Improper Payment Data](#) report reflects an improper payment rate of 13.5% for nebulizers and related drugs, which represents \$111,637,609 in improper payments. The types of error that comprise the improper payment rate for Medicare Part B nebulizers and related drugs include a 66.2% improper payment rate attributed to insufficient documentation and a 12.9% improper payment rate attributed to medical necessity errors.

After reviewing and researching the improper payment rate, this CBR was created to analyze the possible threat to the Medicare Trust Fund associated with bronchodilator nebulizer medications. The expectation is that providers that provide these services will maintain proper documentation for patient care and confirm correct coding processes.

The criteria for receiving a CBR are that a provider:

1. Is significantly higher compared to either peer group or national averages or percentages in any of the comparisons in either of the two metric calculations (i.e., greater than or equal to the 90th percentile), and
2. Has at least 5 total beneficiaries with claims submitted for HCPCS codes listed in Table 1, and
3. Has at least \$150 in total allowed charges.

**Coverage and Documentation Overview**

Table 1 identifies the HCPCS codes used in the CBR analysis.

**Table 1: HCPCS Code Descriptions**

HCPCS Codes	Description
J7605	Arformoterol, inhalation solution, Food and Drug Administration (FDA)-approved final product, non-compounded, administered through DME, unit dose form, 15 micrograms
J7606	Formoterol fumarate, inhalation solution, FDA-approved final product, non-compounded, administered through DME, unit dose form, 20 micrograms
J7613	Albuterol, inhalation solution, FDA-approved final product, non-compounded, administered through DME, unit dose, 1mg
J7614	Levalbuterol, inhalation solution, FDA-approved final product, non-compounded, administered through DME, unit dose, 0.5 mg
J1620	Albuterol, up to 2.5 mg and ipratropium bromide, up to 0.5 mg, FDA-approved final product, non-compounded, administered through DME
J7644	Ipratropium bromide, inhalation solution, FDA-approved final product, non-compounded, administered through DME, unit dose form, per milligram

Table 2 provides summaries of your utilization of HCPCS codes for bronchodilator nebulizer medications.

**Table 2: Summary of Your Utilization of HCPCS Codes for Bronchodilator Nebulizer Medications Between July 1, 2021, and June 30, 2022**

HCPCS Codes	Allowed Charges	Allowed Units	Beneficiary Count
J7605	\$24,235	2,550	3
J1606	\$0	0	0
J7613	\$208	4,646	3
J7614	\$0	0	0
J7620	\$22	180	1
J7644	\$0	0	0
<b>Total</b>	<b>\$24,466</b>	<b>7,376</b>	<b>7</b>

## Metrics

This report is an analysis of the following metrics:

1. Average allowed units, per beneficiary, by category
2. Percent of paid claims for bronchodilator nebulizer medications submitted for J7620

The CBR analysis focuses on providers listed as referring providers on Medicare Part B claims for bronchodilator nebulizer medications. Statistics were calculated for each provider, all providers in the specialty, and all providers in the nation. The specialty and national peer groups are defined as follows:

- The specialty peer group is defined as all Medicare providers listed as referring providers practicing in the individual provider's specialty group with allowed charges for the HCPCS codes included in this study.
- The national peer group is defined as all rendering Medicare providers in the nation with allowed charges for the procedure codes included in this study.

Each provider's values are compared to his/her specialty peer group values and to the national values. Your metrics were compared to your specialty [Your Specialty] and the nation. There are four possible outcomes for the comparisons between the provider and his/her peer groups:

1. Significantly Higher — Provider's value is greater than or equal to the 90<sup>th</sup> percentile from the specialty or national mean.
2. Higher — Provider's value is greater than the specialty or national mean.
3. Does Not Exceed — Provider's value is less than or equal to the specialty or national mean.
4. Not Applicable (N/A) — Provider does not have sufficient data for comparison.

## **Methods and Results**

There are 151,583 providers nationwide that are listed as referring providers on claims for bronchodilator nebulizer medications. The total allowed charges for these claims were over \$283 million in total charges during the analysis timeframe.

### **Metric 1: Average Allowed Units, per Beneficiary, by Category**

Metric 1 is calculated as follows:

- The number of allowed units for LABA is divided by the number of unique beneficiaries who received LABA bronchodilator nebulizer medications.
- The number of allowed units for SABA is divided by the number of unique beneficiaries who received SABA bronchodilator nebulizer medications.
- The number of allowed units for SABA/AC is divided by the number of unique beneficiaries who received SABA/AC bronchodilator nebulizer medications.
- The number of allowed units for SAAC is divided by the number of unique beneficiaries who received SAAC bronchodilator nebulizer medications.

**Table 3: Average Allowed Units, per Beneficiary, by Category**

Category	Numerator	Denominator	Your Average	Your Specialty Average	Comparison with Your Specialty	National Average	Comparison with National Average
LABA	2,550	3	850.00	342.08	Significantly Higher	334.81	Significantly Higher
SABA	4,646	3	1,548.67	633.96	Significantly Higher	639.72	Significantly Higher
SABA/AC	180	1	180.00	382.96	N/A	373.36	N/A
SAAC	0	0	0.00	191.70	N/A	185.64	N/A

N/A: An outcome of "N/A" indicates a denominator value that is less than 3 or fewer than 3 NPIs for that specialty and category.

### **Metric 2: Percent of Paid Claims for Bronchodilator Nebulizer Medications Submitted for J7620**

Metric 2 is calculated as follows:

- The total number of paid claims submitted for J7620 is divided by the total number of paid claims submitted for bronchodilator nebulizer medications.

**Table 4: Percent of Paid Claims for Bronchodilator Nebulizer Medications Submitted for J7620**

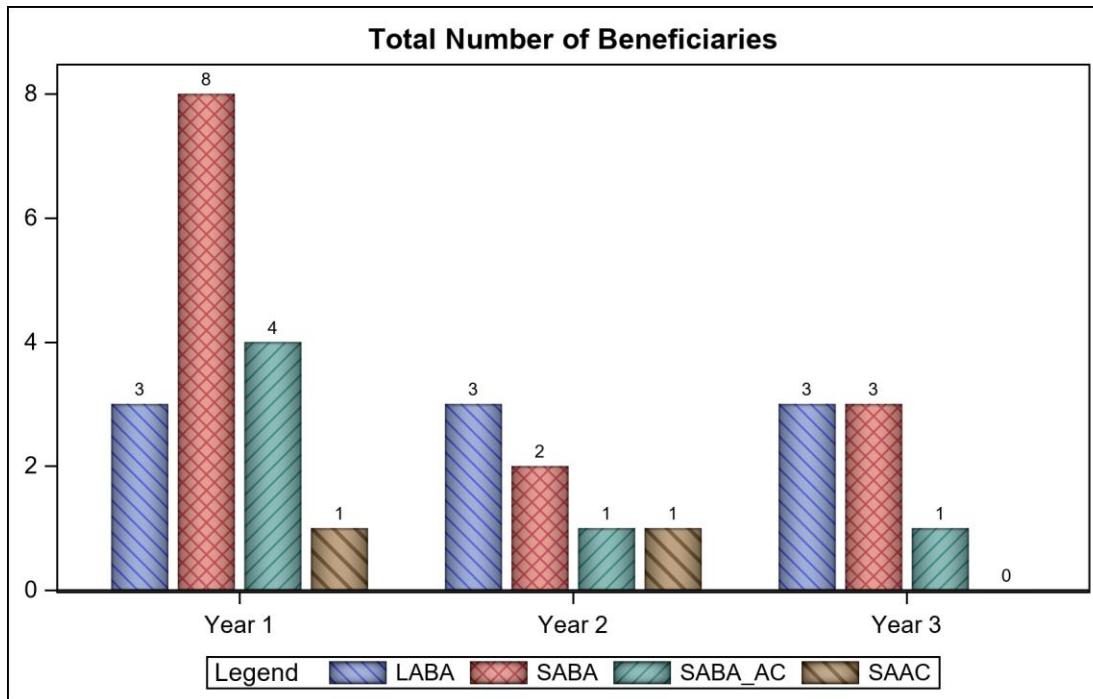
Numerator	Denominator	Your Percent	Your Specialty Percent	Comparison with Your Specialty	National Percent	Comparison with National Percent
1	52	1.92%	41.42%	Does Not Exceed	35.50%	Does Not Exceed

Figure 1 illustrates the total number of beneficiaries who had paid claims submitted for bronchodilator nebulizer medications, by category, as a trend over time.

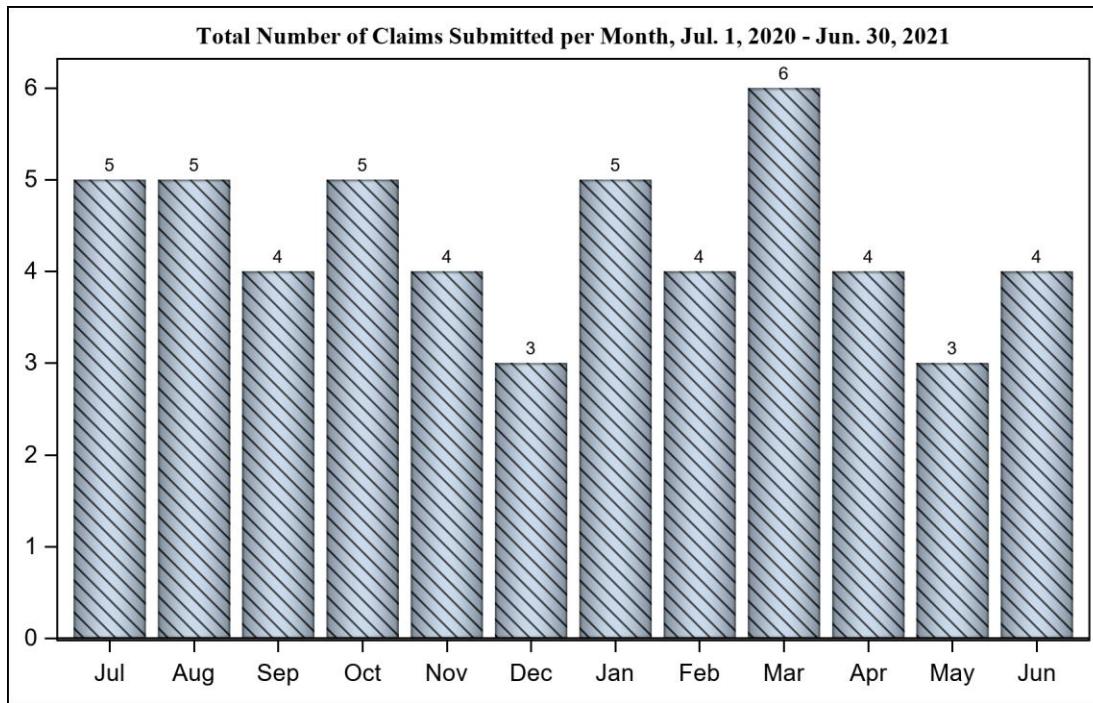
Figure 2 illustrates the total number of paid claims submitted for bronchodilator nebulizer medications, per month, for Year 3.

Year 1, Year 2, and Year 3 are defined as follows:

- **Year 1:** July 1, 2019 – June 30, 2020
- **Year 2:** July 1, 2020 – June 30, 2021
- **Year 3:** July 1, 2021 – June 30, 2022

**Figure 1: Total Number of Beneficiaries Who Had Paid Claims Submitted for Bronchodilator Nebulizer Medications, by Category, Trend Over Time**

**Figure 2: Total Number of Paid Claims Submitted for Bronchodilator Nebulizer Medications, per Month, for Year 3**



### **References and Resources**

*HCPCS Level II Expert.* American Academy of Professional Coders.

[\*2021 Medicare Fee-for-Service Supplemental Improper Payment Data.\*](#) U.S. Department of Health and Human Services (HHS). CMS.gov.