

2017 Watchman LAAC Physician Coding Frequently Asked Questions (FAQ)

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Effective January 1st, 2017, the American Medical Association (AMA) recognizes Left Atrial Appendage Closure (LAAC) with Category I CPT code 33340. Securing Category I coding is a major milestone for all therapies and has some significant advantages over Category III codes or miscellaneous/unlisted codes. Below are some key Q&A discussion points to review in the event that you or your customers would like some additional clarity as to what this means for Left Atrial Appendage Closure therapy.

1. What does CPT 33340 mean for Medicare physician payment in 2017?

CPT 33340 as defined: *Percutaneous transcatheter closure of the left atrial appendage with endocardial implant, including fluoroscopy, transseptal puncture, catheter placement, left atrial angiography, left atrial appendage angiography, when performed, and radiological supervision and interpretation.* Category III CPT code (0281T) has been retired, and the Centers for Medicare and Medicaid Services (CMS) assigned a total of 23.22 relative value units (RVUs) to 33340. The exact breakdown is comprised of 14 work RVUs, 6.14 practice expense RVUs and 3.08 malpractice RVUs. The total of 23.22 is then multiplied by the CY 2017 conversion factor of \$35.89 for a national average Medicare payment of \$833. Previously, there was no defined payment for LAAC with Category III CPT code 0281T. Claims were paid on a case-by-case basis and there was no consistency in payments. Physician payment rates in 2017 will vary locally according to the assigned Geographic Adjustment Factor (GAF). Exact Medicare payment rates can be found here: <https://www.cms.gov/apps/physician-fee-schedule/overview.aspx>

2. What should physicians expect as far as reimbursement for LAAC from private insurers?

Physician reimbursement from private insurance carriers will be driven by their contract with each insurance carrier. Historically, private insurance physician reimbursement rates have been approximately 20% higher than Medicare's.¹ Customers wishing to know the exact amount of private insurance reimbursement should consult with their provider service representative at the health plan in question.

3. How does 33340 impact hospital reimbursement?

It doesn't. Since LAAC with WATCHMAN is classified as an inpatient only procedure, hospitals would still report the procedure with ICD-10 code O2L73DK. The LAAC procedure will typically map to MS-DRG 273 or 274 for hospital payment.

4. Does the move from Category III to Category I coding guarantee that private insurance carriers will cover LAAC?

First, let's understand a few fundamental differences between Category III and Category I. Category III CPT codes are used to designate newly emerging technologies and to track their usage in the medical community. Use of a Category III code permits data collection to substantiate widespread usage of the specific procedure/service. Category III codes are considered temporary until the procedures/services they define meet the requirements to be considered for Category I codes. To be considered as a Category I code, the AMA requires that the service or procedure be widely accepted in the medical community, that the FDA has approved (or is likely to approve) the device associated with the procedure, and that the service or procedure has proven clinical efficacy as evidenced by many peer-reviewed journal articles.

A move from Category III to Category I will definitely help establish the non-investigational nature of a procedure with private insurance carriers but it does not guarantee the creation of positive coverage policies. In fact, some payers exclude Category III codes across the board with blanket non-coverage statements. When it comes to individual coverage policies, health plans look at many different factors when determining whether or not to establish coverage for a particular procedure and its related technology. Category I CPT coding is also a positive factor in the event that a patient's health plan requires prior-authorization for LAAC. Even without a positive coverage policy, the likelihood of a case-by-case approval is greater with Category I CPT coding than with Category III. Generally speaking, Category I CPT coding will help move LAAC reimbursement along, as will the positive National Coverage Determination (NCD) from CMS, which WATCHMAN LAAC is fortunate to have secured.

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¹ 'Ginsberg et al. Center for Studying Health System Change Research Brief No. 16 • November 2010 Table 3'