



Reimbursement Policy

Subject: Medical Recalls

Effective Date: 11/01/18	Committee Approval Obtained: 09/30/19	Section: Administration
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*****The most current version of the reimbursement policies can be found on our provider website. If you are using a printed version of this policy, please verify the information by going to <https://providers.amerigroup.com>. Under Quick Tools, select Reimbursement Policies > Medicare. *****

These policies serve as a guide to assist you in accurate claim submissions and to outline the basis for reimbursement if the service is covered by a member’s Amerigroup Medicare Advantage benefit plan. The determination that a service, procedure, item, etc. is covered under a member’s benefit plan is not a determination that you will be reimbursed. Services must meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis as well as to the member’s state of residence. You must follow proper billing and submission guidelines. You are required to use industry standard, compliant codes on all claim submissions. Services should be billed with CPT® codes, HCPCS codes and/or revenue codes. The codes denote the services and/or procedures performed. The billed code(s) are required to be fully supported in the medical record and/or office notes. Unless otherwise noted within the policy, our policies apply to participating providers and facilities; a noncontracting provider who accepts Medicare assignment will be reimbursed for services according to the original Medicare reimbursement rates.

If appropriate coding/billing guidelines or current reimbursement policies are not followed, Amerigroup Medicare Advantage may:

- Reject or deny the claim.
- Recover and/or recoup claim payment.

Amerigroup Medicare Advantage reimbursement policies are developed based on nationally accepted industry standards and coding principles. These policies may be superseded by mandates in provider, state, federal or CMS contracts and/or requirements. System logic or setup may prevent the loading of policies into the claims platforms in the same manner as described; however, Amerigroup Medicare Advantage strives to minimize these variations.

Amerigroup Medicare Advantage reserves the right to review and revise our policies periodically when necessary. When there is an update, we will publish the most current policy to this site.

Policy	Amerigroup Medicare Advantage does not allow reimbursement for repair or replacement of items due to a medical recall unless provider, state, federal, CMS contracts and/or requirements indicate otherwise. The following are applicable items: <ul style="list-style-type: none"> • Durable medical equipment
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	<ul style="list-style-type: none"> • Supplies • Prosthetics • Orthotics • Drugs/vaccines <p>Amerigroup Medicare Advantage will allow reimbursement of medically necessary procedures to remove and replace recalled or replaced devices. Amerigroup Medicare Advantage will not be responsible for the full cost of a replaced device if an inpatient or outpatient facility is receiving a partial or full credit for a device due to recall. Payment will be reduced by the amount of the device credit.</p> <p>Amerigroup Medicare Advantage will:</p> <ul style="list-style-type: none"> • Participate and provide any applicable documentation required in any applicable class action law suits due to a medical recall. • Supply providers with medical recall information for dissemination to applicable members. <p>In circumstances where Amerigroup Medicare Advantage has reimbursed the provider for repair or replacement of items, or procedures related to items due to a medical recall, Amerigroup Medicare Advantage is entitled to recoup or recover fees from the manufacturer and/or distributor, as applicable.</p> <p>In circumstances where Amerigroup Medicare Advantage has reimbursed the provider the full or partial cost of a replaced device and the provider received a full or partial credit for the device, Amerigroup Medicare Advantage is entitled to recoup or recover fees from the provider.</p> <p>In applicable circumstances, providers should bill the appropriate condition code, value code, modifier and/or diagnosis code to identify a medically recalled item.</p>
<p>History</p>	<ul style="list-style-type: none"> • Biennial review approved 09/30/19: Policy template updated • Review approved 12/15/17 and effective 11/01/18: Policy language regarding providers receiving full or partial credit for a device and recoupment added • Biennial review approved 09/28/17 and effective 11/01/18: Policy language regarding procedures related to items due to a recall and manufacturer recoupment added; Policy template updated • Review approved 03/14/16 and effective 10/01/16: Policy language regarding reimbursement of medically necessary procedures to remove and replace recalled or replaced devices added

	<ul style="list-style-type: none"> • Biennial review approved 09/22/14: Policy template updated • Review approved 11/07/11: Background section/policy template updated; recovery language added • Biennial review approved 08/30/10: Background section/policy template updated • Review approved 10/06/08: Background section/policy template updated • Initial policy approval and effective date: 10/17/06
References and Research Materials	<p>This policy has been developed through consideration of the following:</p> <ul style="list-style-type: none"> • CMS • State contracts • Federal Register Vol. 79, No. 134 Medicare and Medicaid Programs: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs • Code of Federal Regulations Subpart A — Payments §416.179 • U.S. FDA: Medical Device Recalls
Definitions	<ul style="list-style-type: none"> • General Reimbursement Policy Definitions
Related Policies	<ul style="list-style-type: none"> • Documentation Standards for Episodes of Care • Reimbursement for Items Under Warranty
Related Materials	<ul style="list-style-type: none"> • None