

What's in a Name? Defining and Understanding LCDs

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While this month's title—"What's in a Name?"—does not refer to *Romeo and Juliet*, the conflict and chaos of Shakespeare's play would be a suitable backdrop for discussing local coverage determinations (LCDs).

What is an LCD? Each Medicare contractor has the discretion to establish specific coverage policies for tests and surgical procedures. When finalized, these LCDs are the rules and regulations by which physicians are held accountable in an audit. Some LCDs are accompanied by an article that includes additional information. Confusingly, there is little continuity between contractors on LCDs (see "Variations in LCDs," below).

Life Cycle of an LCD

The draft LCD is written. When Medicare contractors seek to establish a new LCD, they must first develop a draft version of it. They typically do this in conjunction with a carrier advisory committee (CAC), which includes an ophthalmologist representative.

Feedback is requested. Once a draft LCD has been developed, the Medicare contractor must provide a comment period. The draft is posted on the payer website, and 45 days are allowed for comment. During this period, the Medicare contractor solicits comments and recommendations from a range of

individuals and organizations.

The final LCD is publicized. After comments are received and any revisions made, the final LCD must be posted with a minimum notice period of 45 calendar days.

The final LCD goes live. Each final LCD has an effective date and a distinct coverage area. Typical LCDs include a description of each covered service, documentation requirements, and information regarding the ICD-9 codes that do or do not support medical necessity.

A final LCD may undergo changes. If an existing LCD is revised in a way that makes it more restrictive or in order to make a substantive correction, the Medicare contractor goes through the same feedback process as is required for a new LCD. Such revisions are usually made in conjunction with the CAC.

LCDs are retired and archived. Medicare contractors are required to archive retired LCDs. These can be useful as a guide.

Variations in LCDs

To give you a sense of how LCDs vary among Medicare contractors—both in the number issued and topics addressed—here are lists of ophthalmology-related LCDs for three jurisdictions, along with the states covered by each.

• **Jurisdiction F**—Alaska, Ariz., Idaho, Mont., N.D., Ore., S.D., Utah,

Wash., and Wyo.—the Medicare contractor (Noridian) has LCDs on botulinum toxin types A and B; noncovered services; and skin lesion removal.

• **Jurisdiction H**—Ark., Colo., La., Miss., N.M., Okla., and Texas—the Medicare contractor (Novitas Solutions) has LCDs on botulinum toxin types A and B; cataract surgery, including complex cataract surgery; drugs and biologicals: antiangiogenic; glaucoma treatment with aqueous drainage device; lacrimal punctum plugs; and surgery: blepharoplasty.

• **Jurisdiction I1**—N.C., S.C., Va., and W.V.—the Medicare contractor (Palmetto GBA) has LCDs on blepharoplasty of upper lids; cataract surgery; chemodenervation; corneal pachymetry; noncovered Category III CPT codes; ocular photography and ophthalmoscopy; outpatient comanagement of surgical procedures; PDT with verteporfin; and removal of benign and malignant skin lesions.

Know Your LCDs

It is important to know the LCDs for your state. Visit www.aao.org/coding, select "Coding Tools" and either 1) look for "Medicare Carrier Jurisdiction and Website Addresses," where you'll find a link to your state's Medicare contractor, or 2) look for "Local Coverage Determination (LCD) Database," where you'll find a link to Medicare's coverage database. ■