Increasing Revenues in a Climate of Payment Change: Out-of-Pocket Charges

An administrator asks, “One surgeon in our practice performs 350 cataract extractions with IOL [intraocular lens] and 30 complex cataract surgeries per year: With the payment cuts to these procedures in 2020, what can we do to offset the payment cuts in our office?”

Good question! Boosting revenues should involve an assessment of all practice activities, including a review of coding and billing practices. Here are a few pointers to get you started.

Out-of-Pocket Charges
Whether a patient’s insurance is federal or commercial, payers don’t cover every exam, test, and surgery. The list of when you can, and should, get paid by the patient includes, but is not limited to, the following goods and services.

- **Refraction.** There has been a separate CPT code for refraction since 1992, but many practices still do not collect the refraction charge when it is not covered by Medicare or the vision plan.
- **Cosmetic surgery.** You may be able to charge the patient for skin tag removal, Botox (botulinum toxin) for wrinkles, blepharoplasty, and other oculofacial procedures if they don’t meet the payer’s functional criteria. Check your payer’s Local Coverage Determination at aao.org/lcds.
- **Contact lenses.** Charge patients for refractive and/or bandage contact lenses when not covered by insurance.
- **Optical.** While postcataract glasses are a covered Medicare Part B benefit, upgrades are not. For commercial insurance: Unless the patient has elected for optical as part of their coverage, most costs for frames, lenses, and upgrades are the patient’s payment responsibility.
- **Dry eye.** Some tear testing for dry eye can be charged to the patient; see the fact sheet section at aao.org/coding.
- **Correction of the patient’s natural astigmatism.** At the time of cataract surgery with a standard IOL, patients may elect to pay to have their natural astigmatism (not induced by surgery or trauma) corrected by laser or blade.
- **Refractive surgery.** Typically, insurance doesn’t cover procedures such as LASIK, photorefractive keratectomy (PRK), conductive keratoplasty, corneal inlay procedures, implant or lenticule procedures, or scleral procedures for the correction of refractive error or presbyopia.
- **Cross-linking (CXL).** Insurance doesn’t always cover CXL procedures for keratoconus.
- **Clear lens exchange.** High myopes who do not have a cataract may elect to have their natural lens removed, but this is not a covered benefit by insurance. All costs—including for the facility, the anesthesiologist, and the surgeon—will be paid directly by the patient.
- **Category III CPT codes.** Category III CPT codes document use of new or emerging technology. Many of them do not have a payer allowable and can be charged to the patient.
- **Boutique services.** You may be able to bill the patient for additional testing services or lid hygiene associated with eyelash extensions.
- **ABNs.** If an exam, test, or surgery is not a covered benefit, an Advance Beneficiary Notice (ABN) is not required and a claim should not be submitted to Medicare Part B. However, if the patient insists that you submit a claim, append modifier –GY.

Want More Tips?

This month’s Savvy Coder is based on an AAO 2019 session presented by Robert Wiggins, MD, MHA, Julia Lee, JD, Ravi D. Goel, MD, and Ms. Vicchrilli. It was full of easy-to-implement tips for boosting revenue and cutting costs, many of which have now been posted online. For further details, see this article at aao.org/eyenet, where you also will see a Web Extra: “Common Coding Errors to Avoid.”

Want more ideas for improving your bottom line? You can learn about lean management at aao.org/lean.