# Medicare
# Intermediary Manual
## Part 3 - Claims Process

**Department of Health and Human Services (DHHS)**
**HEALTH CARE FINANCING ADMINISTRATION (HCFA)**

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**NEW/REVISED MATERIAL--*EFFECTIVE DATE: July 1, 1999***
***IMPLEMENTATION DATE: October 1, 2000***

Section 3615.6, Pancreas Transplants, provides claims processing instructions for the coverage of pancreas transplantation when it is performed simultaneously with or following a kidney transplant. This information has not been previously included in the Medicare Intermediary Manual, Part 3. This instruction includes all coverage updates that have occurred since July 1, 1999 and supercedes any information found in Program Memorandum Transmittal A-99-16, Change Request 844 dated April 1999.

Note that there was a correction to the ICD-9-CM procedure codes, which allows 52.82 Homotransplant of pancreas and removes 52.83 Heterotransplant of pancreas. This coding change will not be updated in CWF until January 2001. In the interim, you may hold claims or process claims and make adjustments when the CWF change is made.

Do not search for previously adjudicated claims. However, reopen and reprocess claims brought to your attention.

**These instructions should be implemented within your current operating budget.**

**DISCLAIMER: The revision date and transmittal number only apply to the redlined material. All other material was previously published in the manual and is only being reprinted.**

# CHAPTER VII
# BILL REVIEW



## Electronic Data Interchange (EDI)



## Form HCFA-1450

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3615.6 Pancreas Transplants.--

A. Background.--Effective July 1, 1999, Medicare will cover pancreas transplantation when it is performed simultaneously with or following a kidney transplant (ICD-9-CM procedure code 55.69). Pancreas transplantation is performed to induce an insulin independent, euglycemic state in diabetic patients. The procedure is generally limited to those patients with severe secondary complications of diabetes including kidney failure. However, pancreas transplantation is sometimes performed on patients with labile diabetes and hypoglycemic unawareness.

Medicare has had a policy of not covering pancreas transplantation. The Office of Health Technology Assessment performed an assessment on pancreas-kidney transplantation in 1994. They found reasonable graft survival outcomes for patients receiving either simultaneous pancreas-kidney (SPK) transplantation or pancreas after kidney (PAK) transplantation.

B. Billing for Pancreas Transplants.--There are no special provisions related to managed care participants. Managed care plans are required to provide all Medicare covered services. Medicare does not restrict which hospitals or physicians may perform pancreas transplantation.

The transplant procedure and revenue code 360 for the operating room are paid under these codes. Procedures must be reported using the current ICD-9-CM procedure codes for pancreas and kidney transplants. Providers must place at least one of the following transplant procedure codes on the claim:

52.80 Transplant of pancreas
52.82 Homotransplant of pancreas

The Medicare Code Editor (MCE) will be updated to include 52.80 and 52.82 as covered procedures. (Effective October 1, 2000, ICD-9-CM code 52.83 will be moved in the MCE to non-covered. Override any deny edit on claims that come in with 52.82 prior to October 1, 2000 and adjust, as 52.82 is the correct code.)

If the discharge date is July 1, 1999 or later, process the bill through Grouper and Pricer.

Pancreas transplantation is reasonable and necessary for the following diagnosis codes. However, since this is not an all-inclusive list, you are permitted to determine if any additional diagnosis codes will be covered for this procedure.

- Diabetes Diagnosis Codes

250.0**0** Diabetes mellitus without mention of complication, type II (non-insulin dependent) (NIDDM) (adult onset) or unspecified type, not stated as uncontrolled.

250.0**1** Diabetes mellitus without mention of complication, type I (insulin dependent) (IDDM) (juvenile), not stated as uncontrolled.

250.0**2** Diabetes mellitus without mention of complication, type II (non-insulin dependent) (NIDDM) (adult onset) or unspecified type, uncontrolled.

250.0**3** Diabetes mellitus without mention of complication, type I (insulin dependent) (IDDM) (juvenile), uncontrolled.

250.1X Diabetes with ketoacidosis
250.2X Diabetes with hyperosmolarity
250.3X Diabetes with coma
250.4X Diabetes with renal manifestations
250.5X Diabetes with ophthalmic manifestations
250.6X Diabetes with neurological manifestations
250.7X Diabetes with peripheral circulatory disorders
250.8X Diabetes with other specified manifestations
250.9X Diabetes with unspecified complication

**NOTE:** X=0-3

- Hypertensive Renal Diagnosis Codes:

403.01 Malignant hypertensive renal disease, with renal failure

403.11 Benign hypertensive renal disease, with renal failure

403.91 Unspecified hypertensive renal disease, with renal failure

404.02 Malignant hypertensive heart and renal disease, with renal failure

404.03 Malignant hypertensive heart and renal disease, with congestive heart failure or renal failure

404.12 Benign hypertensive heart and renal disease, with renal failure

404.13 Benign hypertensive heart and renal disease, with congestive heart failure or renal failure

404.92 Unspecified hypertensive heart and renal disease, with renal failure

404.93 Unspecified hypertensive heart and renal disease, with congestive heart failure or renal failure

- Chronic Renal Failure Code:

585

**NOTE:** If a patient had a kidney transplant that was successful, the patient no longer has chronic kidney failure, therefore it would be inappropriate for the provider to bill 585 on such a patient. In these cases one of the following V-codes should be present on the claim or in the beneficiary's history.

Use the following V-codes only when a kidney transplant was performed before the pancreas transplant:

V42.0 Organ or tissue replaced by transplant kidney

V43.89 Organ tissue replaced by other means, kidney or pancreas

**NOTE:** If a kidney and pancreas transplants are performed simultaneously, the claim should contain a diabetes diagnosis code and a renal failure code or one of the hypertensive renal failure diagnosis codes. The claim should also contain two transplant procedure codes. If the claim is for a pancreas transplant only, the claim should contain a diabetes diagnosis

code and a V-code to indicate a previous kidney transplant. If the V-code is not on the claim for the pancreas transplant, search the beneficiary's claim history for a V-code.

C. Drugs.--If the pancreas transplant occurs after the kidney transplant, immunosuppressive therapy will begin with the date of discharge from the inpatient stay for the pancreas transplant.

D. Charges for Pancreas Acquisition Services.--A separate organ acquisition cost center has been established for pancreas transplantation. The Medicare cost report will include a separate line to account for pancreas transplantation costs. The Code of Federal Regulations (CFR), §412.2(e)(4) was changed to include pancreas in the list of organ acquisition costs that are paid on a reasonable cost basis.

Acquisition costs for pancreas transplantation as well as kidney transplants will occur in Revenue Center 81X. Override any claims that suspend due to repetition of revenue code 81X on the same claim if the patient had a simultaneous kidney/pancreas transplant. Pay for acquisition costs for both kidney and pancreas organs if transplants are performed simultaneously. Do not pay for more than two organ acquisitions on the same claim.

E. Medicare Summary Notices (MSN), Explanation of Your Medicare Benefits (EOMB), and Remittance Advice Messages.--If a claim for simultaneous pancreas kidney transplantation or pancreas transplantation following a kidney transplant is submitted to you and is missing one of the appropriate diagnosis/procedure codes, deny the claim and use the following EOMB notice or MSN:

- o EOMB 16.79, "Medicare does not pay separately for this service. You do not have to pay this amount."
- o MSN 16.32, "Medicare does not pay separately for this service."

Use the following Remittance Advice Message:

- o Claim adjustment reason code B15, "Claim/service denied/reduced because this procedure or service is not paid separately."

If a claim is denied because no evidence of a prior kidney transplant is presented, use the following EOMB/MSN message:

- o EOMB 15.9, "The information we have in your case does not support the need for this service."
- o MSN 15.4, "The information provided does not support the need for this service or item."

Use the following Remittance Advice Message:

- o Claim adjustment reason code 50, "These are non-covered services because they are not deemed medically necessary by the payor."

To further clarify the situation, the intermediary should also use new claim level remark code MA 126, "Pancreas transplant not covered unless kidney transplant performed."