
Program Memorandum

Intermediaries/Carriers

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

Transmittal AB-00-63

Date: JUNE 2000

CHANGE REQUEST 1214

SUBJECT: Ocular Photodynamic Therapy (OPT)

OPT is a new treatment for age-related macular degeneration (AMD), a common eye disease among the elderly. AMD is the leading cause of blindness in adults over the age of 50. A new drug, verteporfin (Visudyne™) was approved by the FDA on April 13, 2000, for the treatment of certain forms of AMD. Verteporfin is the first drug approved for OPT.

Per §1861 (t) (1) of the Social Security Act, Medicare covers non-cancer drugs when the drug, a) is included, or approved for inclusion, in the United States Pharmacopoeia (USP), or, b) is approved by the pharmacy and drug therapeutics committee of the medical staff of the hospital furnishing the drug. Since the drug does not meet the condition of (a) above, it is covered in a hospital inpatient or outpatient setting only if the condition in (b) is met.

For CPT 2000, the AMA included OPT in the descriptor for an existing CPT code 67220, laser photocoagulation. We have evaluated the recently-approved OPT procedure and believe that it is not comparable to laser photocoagulation; therefore, OPT must not be billed under CPT code 67220. Rather, carriers must require the use of CPT code 67299 (unlisted procedure) for claims for OPT.

There is no national coverage policy concerning OPT, therefore, coverage is dependent upon carrier and intermediary determinations of medical necessity and reasonableness. In determining payment, consider that the CPT 67299 includes verteporfin, the infusion of verteporfin, and all other services required to perform OPT. Do not pay separately for verteporfin or for the infusion of verteporfin. Pay separately for any other services, e.g., evaluation and management services, fluorescein angiography, or other ocular diagnostic services, even when provided on the same day as OPT. When claims are submitted for OPT performed on both eyes on the same day, make a single payment for verteporfin and the infusion of verteporfin, as a single infusion is adequate for treatment of both eyes.

Until the outpatient perspective payment system (PPS) becomes effective, intermediaries are directed to require the use of CPT code 67299 (unlisted procedure) for claims for OPT. Claims for verteporfin should be paid under code J3490 only upon submission of the documentation described above. After outpatient PPS becomes effective, intermediaries are directed to require use of code C1360 for claims for OPT and code C1203 for verteporfin. The use of verteporfin with laser activation is the only form of OPT that is FDA-approved. Other drugs for OPT and other procedures, such as transpupillary thermal therapy, destruction of macular drusen by photocoagulation and photocoagulation (feeder vessel technique) remain experimental. Advise physicians that claims for other OPT drugs and for transpupillary thermal therapy should not be submitted for payment. Deny any such claims as experimental.

The effective date for this Program Memorandum (PM) is July 1, 2000.

The implementation date for this PM is July 1, 2000.

These instructions should be implemented within your current operating budget.

This PM may be discarded after July 1, 2001.

If you have any questions, contact Paul Rudolf (410) 786-6960.

