

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 12557	Date: March 28, 2024
	Change Request 13528

SUBJECT: Updates to Pub. 100-04 Claims Processing Manual, Chapter 20, Section 181.1 Payment for Lymphedema Compression Treatment Items

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to add Pub. 100-04 Claims Processing Manual, Chapter 20, Section 181.1 Payment for Lymphedema Compression Treatment Items.

EFFECTIVE DATE: January 1, 2024

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: April 29, 2024

Disclaimer for manual changes only: *The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N	20/181.1/Payment for Lymphedema Compression Treatment Items

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Business Requirements

Manual Instruction

Attachment - Business Requirements

Pub. 100-04	Transmittal: 12557	Date: March 28, 2024	Change Request: 13528
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I. GENERAL INFORMATION

A. Background: The purpose of this Change Request (CR) is to add Pub. 100-04 Claims Processing Manual, Chapter 20, Section 181.1 Payment for Lymphedema Compression Treatment Items.

B. Policy: Additional claims processing instructions on lymphedema compression treatment items are available in Transmittal 12379, Change Request (CR) 13286 dated November 22, 2023 available at <https://www.cms.gov/files/document/r12379cp.pdf>

Additional background on the lymphedema compression treatment items benefit and payment is available in the Calendar Year 2024 Home Health Prospective Payment System final rule (CMS-1780-F) published on November 13, 2023 in the Federal Register which is available at <https://www.cms.gov/medicare/payment/fee-schedules/dmepos-fee-schedule/dmepos-laws-regulations>

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
13528.1	Contractors shall be aware of the addition of Pub.100-04, Chapter 20, Section 181.1 Payment for Lymphedema Compression Treatment Items.				X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
13528.2	Medicare Learning Network® (MLN): CMS will develop and release national provider education content and market it through the MLN Connects® newsletter shortly after we issue				X	

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
	the CR. MACs shall link to relevant information on your website and follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 for distributing the newsletter to providers. When you follow this manual section, you don't need to separately track and report MLN content releases. You may supplement with your local educational content after we release the newsletter.					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 0

Medicare Claims Processing Manual

Chapter 20 – Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)

Table of Contents *(Rev. 12557; Issued:03-28-24)*

181.1 - Payment Policy for Lymphedema Compression Treatment Items

181.1 - Payment Policy for Lymphedema Compression Treatment Items ***(Rev.12557; Issued:03-28-24; Effective: 01-01-24; Implementation: 04-29-24)***

Payment for lymphedema compression treatment items is made in a lump sum payment for standard or custom daytime gradient compression garments, nighttime gradient compression garments, gradient compression wraps with adjustable straps, accessories necessary for the effective use of gradient compression garments and wraps with adjustable straps, compression bandaging supplies, and other lymphedema compression treatment items described in section 145 of chapter 15 of the Medicare Benefit Policy Manual.

A national Medicare allowed payment amount is established for each lymphedema compression treatment item and is updated on an annual basis. Payment is based on 80 percent of the lesser of the supplier's actual charge or the national Medicare allowed payment amount for the item.

In accordance with regulations at 42 CFR §414.1660, if a new HCPCS code is added for a lymphedema compression treatment item, CMS and/or DME MACs make efforts to determine whether the item has a pricing history. If there is a pricing history, the previous payment amounts for the previous code(s) are mapped to the new code(s) to ensure continuity of pricing. When the code for an item is divided into several codes for the components of that item, the total of the separate payment amounts established for the components must not be higher than the payment amount for the original item. When there is a single code that describes two or more distinct complete items (for example, two different but related or similar items), and separate codes are subsequently established for each item, the payment amounts that applied to the single code continue to apply to each of the items described by the new codes. When the codes for the components of a single item are combined in a single global code, the payment amounts for the new code are established by totaling the payment amounts used for the components (that is, use the total of the payment amounts for the components as

the payment amount for the global code). When the codes for several different items are combined into a single code, the payment amounts for the new code are established using the average (arithmetic mean), weighted by allowed services, of the payment amounts for the formerly separate codes.

National Medicare payment amounts for new lymphedema compression treatment items that do not have a pricing history are established using the public meeting process and procedures described in regulations at 42 CFR §414.1670. If a new code for a lymphedema compression treatment item that does not have a pricing history takes effect before the national payment amount is established using the public meeting process, until the national payment amount is established for the code/item, the DME MACs consider what an appropriate payment amount is for the item on an individual, claim-by-claim basis and may consider using pricing for similar items that already have established payment amounts.