

Michelangelo and Axon-Bus® system

Private Payer Billing Tips

November 2021



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At this time, there are not existing Healthcare Common Procedure Coding System (HCPCS) codes to completely describe the Michelangelo Hands, Axon-Hook and Above Elbow Microprocessor Control. Miscellaneous code L7499 is available to use. We do not recommend billing these products to Medicare until specific coding is secured.

¹Miscellaneous Code Descriptions (other codes apply to these products)

MICHELANGELO HAND

L7499 OTTOBOCK 8E500 MICHELANGELO ELECTRIC HAND WITH OVAL INTEGRATED WRIST JOINT, SWITCH OR MYOELECTRIC CONTROL; PROGRAMMABLE FOR PROPORTIONAL/DIGITAL CONTROL; ARTICULATING FINGERS (MCP FLEXION/EXTENSION, ADDUCTION/ABDUCTION) AND POWERED MULTI-POSITIONAL THUMB; (OPPOSITIONAL, LATERAL, AND NEUTRAL GRIP PATTERNS); INCLUDES LITHIUM-ION POWER SOURCE AND CHARGER.

MICHELANGELO TRANSCARPAL HAND

L7499 OTTOBOCK 8E550 MICHELANGELO TRANSCARPAL HAND, SWITCH OR MYOELECTRIC CONTROL; PROGRAMMABLE FOR PROPORTIONAL/DIGITAL CONTROL; ARTICULATING FINGERS (MCP FLEXION/EXTENSION, ADDUCTION/ABDUCTION) AND POWERED MULTI-POSITIONAL THUMB (OPPOSITIONAL, LATERAL, AND NEUTRAL GRIP PATTERNS); INCLUDES LITHIUM ION POWER SOURCE AND CHARGER.

AXONHOOK

L7499 OTTOBOCK 8E600 ELECTRIC HOOK WITH OVAL INTEGRATED WRIST JOINT, SWITCH OR MYOELECTRIC CONTROL; PROGRAMMABLE FOR PROPORTIONAL/DIGITAL CONTROL; POLYURETHANE COATED HOOK TIPS; AUTOMATIC RETURN TO NEUTRAL FEATURE; INCLUDES LITHIUM-ION POWER SOURCE AND CHARGER.

MICROPROCESSOR CONTROL FEATURE FOR ABOVE ELBOW

L7499 ADDITION TO UPPER EXTREMITY EXTERNAL POWERED PROSTHESIS (OTTOBOCK 12K501 AXONARM ERGO & 8E500 MICHELANGELO HAND); SEQUENTIAL MICROPROCESSOR CONTROL OF ELECTRIC LOCKING FEATURE AND TERMINAL DEVICE (SIMILAR TO L7180 WITHOUT ELBOW LIFT, WHICH IS INSTEAD PROVIDED BY FOREARM COUNTERBALANCE FEATURE).

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²Narrative Section on the HCFA 5010 Claim

Because L7499* is an unlisted (NOC) code, the claim must have additional information to describe the item, so that the payer can tell what you are billing them for. Most payers require a narrative be added to the claim (e.g. device name, manufacturer, model/serial number, and MSRP).

^{2,3}Where to Put the Narrative

Electronic Claim For each miscellaneous code a narrative description must be inserted into the loop 2400 (line note) segment. The narrative should include the following:

Hand: Ottobock 8E500 Michelangelo elec hand w/intgr wrist, power src & chgr MSRP \$____

Transcarpal Hand: Ottobock 8E550 Transcarpal elec hand/intgr wrist, power src & chgr MSRP \$____

Hook: Ottobock 8E600 AxonHook elec hook w/intgr wrist, power src & chgr MSRP \$____

Axon-Bus System MP Control: Seq MP Ctrl of elec elbow lock & terminal device(s), sim to L7180 w/o lift MSRP \$____

Paper Claim ^{2,3} Enter a narrative for each line on **Line 19** when submitting a hand-written paper claim (CMS-1500). Include the line number so the reviewer knows which claim line the narrative goes with.

(Hand) Line: __ L7499 Ottobock 8E500 Michelangelo electric hand with integrated wrist, power source & charger; MSRP \$____

(Transcarpal Hand) Line: __ Ottobock 8E550 Transcarpal electric hand with integrated wrist, power source & charger; MSRP \$____

(Hook) Line: __ L7499 Ottobock 8E600 AxonHook electric hook with integrated wrist, power source & charger; MSRP \$____

(Microprocessor Control) Line: __ L7499 Sequential Microprocessor Control of electric elbow lock & terminal device(s), similar to L7180 w/o forearm counterbalance feature MSRP \$____

What if I Do Not Include a Narrative Description?

If a narrative is not included, the required information is expected to be attached to the claim. If there is no narrative or attachment your claim 1) will be rejected on the front end, or 2) will receive a denial that does not include appeal rights. **Both types of denials require the claim be resubmitted with the requested information.** Generally, standardized narratives enable carriers to recognize similar claims and assign pricing, thereby improving the process.

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⁴Manufacturer Suggested Retail Price (MSRP) for the L7499 Miscellaneous codes

- MSRP for the 8E500 Michelangelo Hand miscellaneous code is \$85,000
- MSRP for the 8E550 Michelangelo Transcarpal Hand miscellaneous code is \$85,000
- MSRP for the 8E600 AxonHook miscellaneous code is \$26,691
- MSRP for the Microprocessor Control Feature for above elbow application is \$30,000.00

How Much Will I Get Paid for the Miscellaneous Codes?

The reimbursement methodology for NOC/miscellaneous codes is generally stated in your contract with the payer. The most common payment methodologies are:

- MSRP minus ___%
- Cost plus ___%
- Usual and Customary (average amount that you bill for similar devices)
- Average Regional Amount billed for similar devices
- Lesser of the above

It is highly recommended to carefully review your provider manual, fee schedule, and payer contract when providing a miscellaneous coded product. If the information is not available, provider relations may be able to help.

Medical Review

Sometimes codes requiring narratives are sent to Medical Review regardless of proper claim submission. If this happens, you will need to submit all documentation (including proof of medical necessity) as the claim will likely undergo medical necessity review.

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Ottobock's Reimbursement Team is available to help with your Michelangelo claims.

Phone: 800 328 4058 (ask for reimbursement)

E-mail your question to: reimbursement911@ottobock.com

References

¹ The product/device "Supplier" (defined as an O&P practitioner, O&P patient care facility, or DME supplier) assumes full responsibility for accurate billing of Ottobock products. It is the Supplier's responsibility to determine medical necessity; ensure coverage criteria is met; and submit appropriate HCPCS codes, modifiers, and charges for services/products delivered. It is also recommended that Supplier's contact insurance payer(s) for coding and coverage guidance prior to submitting claims. Ottobock Coding Suggestions and Reimbursement Guides are based on reasonable judgment and are not recommended to replace the Supplier's judgment. These recommendations may be subject to revision based on additional information or alpha-numeric system changes.

² Joint DME MAC. Local Coverage Article: Standard Documentation Requirements for All Claims Submitted to DME MACs (A55426). Not Otherwise Classified (NOC) BILLING INFORMATION. Updated January 1, 2020.

³ National Government Services. Common Data Electronic Interchange. Using the Paperwork Segment. Last updated November 15, 2016

⁴ The manufacturer's suggested retail pricing (MSRP) is a suggested retail price only. Ottobock has provided the suggested MSRP in the event that third-party and/or federal healthcare payer's request it for reimbursement purposes. The practitioner and/or patient care facility is neither obligated nor required to charge the MSRP when submitting billing claims for third-party reimbursement for the product (s).

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