



## Comparative Billing Report

November 14, 2016

CBR #: CBR201616  
Topic: Viscosupplementation  
of the Knee  
NPI #: 1111111111  
Fax #: (888)555-5555

ORGANIZATION NAME  
FULL NAME  
123 STREET LANE  
SUITE 4000  
ANYTOWN, XX 55555-4411

Dear Medicare Provider:

The Centers for Medicare & Medicaid Services (CMS) strives to protect the Medicare Trust Fund and effectively manage Medicare resources. To support these goals, CMS has contracted with eGlobalTech, a professional services firm headquartered in Arlington, VA, to develop Comparative Billing Reports (CBRs). CBRs provide comparative data on how an individual health care provider's billing and payment patterns for selected topics compare to his/her peers. The CBRs give providers an opportunity to compare themselves to their peers, check their records against data in CMS' files, and review Medicare guidelines to ensure compliance. CBRs are for educational and comparison purposes and do not indicate the identification of overpayments. **Please note, no reply is necessary.**

Attached is a CBR that reflects your billing or referral patterns compared to peer providers' patterns for the same services in your state and nationwide. We recognize that practice patterns can vary by region, subspecialty, and patient acuity levels, which are elements that are not evident in the claims data reviewed for the CBR. We hope you find this CBR beneficial as an educational tool to assist you in identifying opportunities for improvement. If you have any questions regarding this CBR or if you want to change the way you receive CBRs in the future, please contact the CBR Support Help Desk.

- Toll Free Number: 1-800-771-4430
- Email: [CBRsupport@eglobaltech.com](mailto:CBRsupport@eglobaltech.com)
- Website: <http://www.cbrinfo.net>

REMINDER: If you have changed your mailing address or contact information and have not notified the National Plan and Provider Enumeration System (NPPES) and/or CMS' provider enrollment contractor via the internet or the appropriate Medicare enrollment application, please take time to review and update the system.

You can update your National Provider Identifier (NPI) contact information in NPPES at <https://nppes.cms.hhs.gov/NPPES>. If you have forgotten your User ID and/or password or need assistance, contact the NPI Enumerator at 1-800-465-3203 or email [customerservice@npienumerator.com](mailto:customerservice@npienumerator.com).

We hope you find the attached report informative.

Sincerely,

Virna Elly  
CBR Program Director  
eGlobalTech  
Enclosure

7127 Ambassador Road, Suite 150, Baltimore, MD 21244

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## Comparative Billing Report (CBR): NPI 1111111111 Viscosupplementation (VIS) of the Knee

### Introduction

This CBR focuses on rendering providers who submitted claims for viscosupplementation (VIS) of the knee. Specifically, this CBR examines viscosupplementation services billed with Healthcare Common Procedure Coding System (HCPCS) codes J7321, J7323, J7324, J7325, J7326, J7327, and Current Procedural Terminology (CPT<sup>®</sup>) codes for injection services and established patient evaluation and management (E/M) services billed with these HCPCS codes. Only those services rendered in the office (place of service: 11) were included in the analyses.

The metrics reviewed in this report are:

- Percentage of visits with injection CPT<sup>®</sup> code 20611
- Percentage of visits with other injection CPT<sup>®</sup> codes (76881, 76882, 76942, 77002)
- Percentage of visits billed with established patient E/M CPT<sup>®</sup> codes
- Average allowed charges per beneficiary

As reported in the publication titled *Orthopedics This Week*, the Agency for Healthcare Research and Quality (AHRQ) Technology Assessment (TA) program issued a report on hyaluronic acid (HA). CMS wanted to establish the following: “If hyaluronic acid is effective, it is postulated that it might effectively prevent or delay the need for life-disrupting surgery and rehabilitation by relieving pain and improving function with minimal inconvenience or adverse effects; however, if the treatment delays arthroplasty but fails to halt progressive degeneration, patients could potentially experience worse outcomes, although thus far, evidence for such outcomes has been weak.”

This report has prompted CMS to take a second look at their national coverage policy for HA. CMS seeks to discover if viscosupplementation “can reduce the rate of knee replacement (KR) surgery...and, furthermore, whether they affect knee function, quality of life or pain.” The report stated, “The scope of work for this task order includes an assessment of the evidence that hyaluronic acid injections prevent or delay the need for arthroplasty among individuals 65 and over. In addition to assessing the evidence for a role of HA in delaying or preventing the need for KR, this report aims to assess the evidence to date on the efficacy of intra-articular injections of HA with respect to the outcomes of function, ADLs/IADS [Activities of daily Living/Instrumental Activities of Daily Living Scale], quality of life, and pain and on the safety of HA when used as indicated.”

The *Journal of Bone and Joint Surgery* published a study in September 2016 titled **Hyaluronic Acid Injections for Treatment of Advanced Osteoarthritis of the Knee: Utilization and Cost in a National Population Sample**. The article stated, “The efficacy and cost-effectiveness of the use of hyaluronic acid (HA) injections for the treatment of knee osteoarthritis are debated.” From 2005 to 2012, researchers reviewed the databases of different companies in an effort to identify patients who had total knee arthroplasty (TKA). The databases included MarketScan Commercial Claims and Encounters and Medicare Supplemental and Coordination of Benefits databases (Truven Health Analytics). The study analyzed the utilization of osteoarthritis-related health care for patients during the 12 month period prior to TKA. This included payment information for office visits, HA injections, medications, imaging, and corticosteroid injections. It was determined that payment for HA injections were higher than any other treatment, accounting for 25.2 percent of treatments. The results indicated that “patients receiving HA injections were significantly more

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likely to receive additional knee osteoarthritis-related treatments compared with patients who did not receive HA injections.”

The study concluded that “HA injections are still utilized for a substantial percentage of patients. Given the paucity of data supporting the effectiveness of HA injections and the current cost-conscious health-care climate, decreasing their use among patients with end-stage knee osteoarthritis may represent a substantial cost reduction that likely does not adversely impact the quality of care.” Based on the **Additional Data** information in the **2015 Comprehensive Error Rate Testing (CERT)** report, the improper payment rate for J7323 was 43 percent and 40 percent for J7325.

## Coverage and Documentation Overview

This portion of the CBR offers a broad look at the coverage and documentation requirements to ensure compliance with Medicare guidelines. **The information provided does not supercede or alter the coverage and documentation policies, as outlined by the Medicare Administrative Contractors (MACs), Local Coverage Determinations (LCDs), or Local Coverage Articles (LCAs).** Please refer any specific questions you may have to the MAC of your region.

### Basic Coverage Criteria

According to Novitas’ LCD L35427, “Medicare will cover the cost of the injection and the injected hyaluronate polymer for patients who meet the following clinical criteria:

- Knee pain associated with radiographic evidence of osteophytes in the knee joint, sclerosis in bone adjacent to knee or joint space narrowing.
- Morning stiffness of less than 30 minutes in duration or crepitus on motion of the knee.
- The pain cannot be attributed to other forms of joint disease.
- The prosthetic device is approved by the Food and Drug Administration (FDA) for intra-articular injection.
- Pain that interferes with functional activities (e.g., ambulation, prolonged standing, ability to sleep).
- Lack of functional improvement following a trial of at least three months of conservative therapy, or the patient is unable to tolerate Non-Steroidal Anti-Inflammatory Drug (NSAID) therapy because of adverse side effects.
- Bilateral injections may be allowed if both knees meet the criteria.”

First Coast Service Options, Inc. LCD L33767 states, “Viscosupplementation will not be covered:

- When the diagnosis is anything other than osteoarthritis
- For intra-articular injection in joints other than the knee
- As the initial treatment of osteoarthritis of the knee
- When failure of/or contraindication to conservative therapy and/or corticosteroid injections are not documented in the medical record
- When the dose and treatment regimen exceeds those approved under the FDA label
- When a repeat series of injections is initiated prior to six months after completion of the previous course of treatment

- When a repeat series of injections is administered when there was no symptomatic/functional improvement evidenced from the previous series of injections
- For topical application of hyaluronate preparations.”

LCD L33767 specifically states under **Limitations** that “Imaging procedures (e.g., 20611, 77012, 77021, 76881, 76882 or 76942) performed routinely for the purpose of visualization of the knee to provide guidance for needle placement will not be covered. Fluoroscopy may be medically necessary and allowed if documentation supports that the presentation of the patient’s affected knee on the day of the procedure makes needle insertion problematic. No other imaging modality for the purpose of needle guidance and placement will be covered.”

## Methods

This report is an analysis of Medicare Part B claims with allowed services for the HCPCS/CPT® codes listed in Table 1, with dates of service from July 1, 2015 to June 30, 2016, and includes only those claims where the place of service is denoted as office (11). Additionally, only those claim lines with a diagnosis of osteoarthritis of the knee were used in this report. This analysis was based on the latest version of claims available from the Integrated Data Repository (IDR), as of October 4, 2016. Your percentages and averages, denoted in Tables 3 through 6, are calculated from the data supplied from your utilization of the CPT® codes in Table 2, using the formulas below. Your values are compared to your state (NY) and nation, using either the chi-square or t-test at the alpha value of 0.05.

### Percentage of Visits with Injection CPT® Code 20611

The percentage of Hyaluronan, or derivative, injection visits billed with injection CPT® code 20611 is calculated, as follows:

$$\left( \frac{\text{Number of Visits with CPT® Code 20611}}{\text{Total Number of Visits}} \right) \times 100$$

### Percentage of Visits with Other Injection CPT® Codes 76881, 76882, 76942, or 77002

The percentage of Hyaluronan, or derivative, injection visits billed with injection CPT® codes 76881, 76882, 76942, or 77002 is calculated, as follows:

$$\left( \frac{\text{Number of Visits with Other Injection CPT® Codes (76881, 76882, 76942, 77002)}}{\text{Total Number of Visits}} \right) \times 100$$

### Percentage of Visits with Established Patient E/M CPT® Codes

The percentage of Hyaluronan, or derivative, injection visits billed with established patient E/M CPT® Codes is calculated, as follows:

$$\left( \frac{\text{Number of Visits with E/M}}{\text{Total Number of Visits}} \right) \times 100$$

## Average Allowed Charges per Beneficiary

The average allowed charges per beneficiary are calculated for all of the CPT® codes covered in this CBR, as follows:

$$\frac{\text{Total Allowed Charges}}{\text{Total Number of Beneficiaries}}$$

Table 1 lists each of the HCPCS/CPT® codes covered in this CBR with the category and abbreviated description.

**Table 1: Category, HCPCS/CPT® Codes, and Abbreviated Descriptions**

Category	HCPCS/CPT® Codes	Abbreviated Description
Hyaluronan or Derivative	J7321	Hyalgan®/Supartz®, Hyaluronan, or derivative, injection per dose
Hyaluronan or Derivative	J7323	Eufexxa®, Hyaluronan, or derivative, injection per dose
Hyaluronan or Derivative	J7324	Orthovisc®, Hyaluronan, or derivative, injection per dose
Hyaluronan or Derivative	J7325	Synvisc®/Synvisc-One®, Hyaluronan, or derivative, injection 1 per mg
Hyaluronan or Derivative	J7326	Gel-One®, Hyaluronan, or derivative, injection per dose
Hyaluronan or Derivative	J7327	Monovisc®, Hyaluronan, or derivative, injection per dose
Injections	20610	Arthrocentesis, aspiration and/or injection, without ultrasound guidance
Injections	20611	Arthrocentesis, aspiration and/or injection, with ultrasound guidance
Other Injections	76881	Ultrasound, extremity non-vascular, real time with image documentation; complete
Other Injections	76882	Ultrasound, extremity non-vascular, real time with image documentation; limited, anatomic specific
Other Injections	76942	Ultrasonic guidance for needle placement, imaging supervision and interpretation
Other Injections	77002	Fluoroscopic guidance for needle placement
Evaluation and Management	99211-99215	Office or other outpatient visit or the evaluation and management of an established patient

Level II HCPCS codes are maintained and distributed by the Centers for Medicare & Medicaid Services (CMS).

CPT® codes and descriptors are copyright 2015 American Medical Association. Rights reserved. Applicable FARS/DFARS apply.

## Comparison Outcomes

There are four possible outcomes for the comparisons between the provider and the peer groups:

- **Significantly Higher** - Provider's value is higher than the peer value and the statistical test confirms significance
- **Higher** - Provider's value is higher than the peer value, but either the statistical test does not confirm significance or there is insufficient data for comparison
- **Does Not Exceed** - Provider's value is not higher than the peer value
- **N/A** - Provider does not have sufficient data for comparison

It is important to note that significance is based on the total number of services, visits, or beneficiaries and the variability of those values.

## Results

Table 2 provides a summary of your utilization of the HCPCS/CPT® codes included in this CBR. The total allowed charges, allowed services, number of visits, and distinct beneficiary count are included for each HCPCS/CPT® code.

**Table 2: Summary of Your Utilization for Codes  
July 1, 2015 - June 30, 2016**

Category	HCPCS/CPT® Codes	Allowed Charges	Allowed Services	Visit Count	Beneficiary Count
Hyaluronan or Derivative	J7321	\$0.00	0	0	0
Hyaluronan or Derivative	J7323	\$760.84	5	3	2
Hyaluronan or Derivative	J7324	\$0.00	0	0	0
Hyaluronan or Derivative	J7325	\$2,456.45	192	2	2
Hyaluronan or Derivative	J7326	\$0.00	0	0	0
Hyaluronan or Derivative	J7327	\$72,001.99	76	58	46
<b>Hyaluronan or Derivative</b>	<b>Subtotal</b>	<b>\$75,219.28</b>	<b>273</b>	<b>63</b>	<b>50</b>
Evaluation and Management	99211	\$0.00	0	0	0
Evaluation and Management	99212	\$0.00	0	0	0
Evaluation and Management	99213	\$85.60	1	1	1
Evaluation and Management	99214	\$0.00	0	0	0
Evaluation and Management	99215	\$0.00	0	0	0
<b>Evaluation and Management</b>	<b>Subtotal</b>	<b>\$85.60</b>	<b>1</b>	<b>1</b>	<b>1</b>
Injections	20610	\$0.00	0	0	0
Injections	20611	\$8,350.00	83	63	50
<b>Injections</b>	<b>Subtotal</b>	<b>\$8,350.00</b>	<b>83</b>	<b>63</b>	<b>50</b>
Other Injections	76881	\$0.00	0	0	0
Other Injections	76882	\$0.00	0	0	0
Other Injections	76942	\$0.00	0	0	0
Other Injections	77002	\$0.00	0	0	0
<b>Other Injections</b>	<b>Subtotal</b>	<b>\$0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>
-	<b>Total</b>	<b>\$83,654.88</b>	<b>357</b>	<b>63</b>	<b>50</b>

Please note that the totals may not be equal to the sum of the rows. The number of visits and beneficiaries are unduplicated counts for each row subtotal and total. Since it is possible that a beneficiary would have billings for more than one HCPCS/CPT® code, he/she would be counted in the beneficiary count in each applicable row. However, this beneficiary would be counted only once in the subtotal and total rows. It is also possible for a visit (or unique date of service) to be billed with multiple HCPCS and/or CPT® codes.

Table 3 provides a comparison of your percentage of visits with injection CPT® code 20611. Your percentage is compared to that of your state and the nation.

**Table 3: Percentage of Visits with Injection CPT® Code 20611  
July 1, 2015 - June 30, 2016**

	Your Percentage of Visits	Your State's Percentage of Visits	Comparison with Your State's Percentage	National Percentage of Visits	Comparison with the National Percentage
20611	100%	36%	Significantly Higher	18%	Significantly Higher

A chi-square test was used in this analysis, alpha=0.05.

Table 4 provides a comparison of your percentage of visits with other injections CPT® codes to that of your state and the nation.

**Table 4: Percentage of Visits with Other Injection CPT® Codes (76881, 76882, 76942, 77002)  
July 1, 2015 - June 30, 2016**

	Your Percentage of Visits	Your State's Percentage of Visits	Comparison with Your State's Percentage	National Percentage of Visits	Comparison with the National Percentage
Other Injections	0%	11%	Does Not Exceed	11%	Does Not Exceed

A chi-square test was used in this analysis, alpha=0.05.

Table 5 provides a comparison of your percentage of visits billed with E/M to that of your state and the nation.

**Table 5: Percentage of Visits with Established Patient E/M  
July 1, 2015 - June 30, 2016**

	Your Percentage of Visits	Your State's Percentage of Visits	Comparison with Your State's Percentage	National Percentage of Visits	Comparison with the National Percentage
E/M	2%	17%	Does Not Exceed	19%	Does Not Exceed

A chi-square test was used in this analysis, alpha=0.05.

Table 6 provides a comparison of your average allowed charges per beneficiary to that of your state and the nation. This is the total allowed charges per beneficiary for the one-year time period under analysis.

**Table 6: Average Allowed Charges Per Beneficiary  
July 1, 2015 - June 30, 2016**

	Your Average Charges Per Beneficiary	Your State's Average Charges Per Beneficiary	Comparison with Your State's Average	National Average Charges Per Beneficiary	Comparison with the National Average
Charges	\$1,673.10	\$997.87	Significantly Higher	\$908.79	Significantly Higher

A t-test was used in this analysis, alpha=0.05.

## References & Resources

The coverage and documentation guidelines for Viscosupplementation (VIS) of the knee are listed below. Please follow the guidelines pertinent to your region. A complete list of web links is located at <http://www.cbrinfo.net/cbr201616-recommended-links.html>.

**Table 7: LCDs & LCAs**

Medicare Administrative Contractor (MAC)	Active LCDs & LCAs	Retired LCDs & LCAs
First Coast Service Options, Inc.	L33767, A54819	L29005
National Government Services, Inc.	L33394, A52420	L25820, A46100
Novitas Solutions, Inc.	L35427, A55036	L32237
Palmetto GBA, LLC	L33432	L31786
Wisconsin Physicians Service	L34525	L30149

### Centers for Medicare & Medicaid Services:

- Comprehensive Error Rate Testing (CERT): Additional Data, 2015 Claims Data

### The Journal of Bone and Joint Surgery:

- Hyaluronic Acid Injections for Treatment of Advanced Osteoarthritis of the Knee, September 16, 2016

### Medicare Administrative Contractors (MACs):

- First Coast Options, Inc.: Billing and Coding Procedure Code 76942, August 15, 2013

### Orthopedics This Week:

- CMS Takes a Second Look at HA Knee Injections, December 31, 2014

### American Medical Association (AMA):

- *CPT® 2016 Professional Edition*
- *CPT® 2015 Professional Edition*

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## The Next Steps

We encourage you to check with your MAC to ensure you are meeting the Medicare standards for your jurisdiction. Please use the above references and resources as a guide.

You are invited to join us for the CBR201616 webinar on December 14, 2016 from 3:00 - 4:00 PM ET. Space is limited, so please register early. Register online at <http://www.cbrinfo.net/cbr201616-webinar.html>.

If you are unable to attend, you may access a recording of the CBR201616 webinar within five business days following the event at <http://www.cbrinfo.net/cbr201616-webinar>.

For detailed links to information listed in the references and resources section, visit <http://www.cbrinfo.net/cbr201616-recommended-links>.

If you have any questions or suggestions related to this CBR, please contact the CBR Support Help Desk via email at [CBRsupport@eglobaltech.com](mailto:CBRsupport@eglobaltech.com) or via telephone at (800)771-4430.

For written correspondence, postal mail can be sent to the following address:

CBR Program  
eGlobalTech  
7127 Ambassador Road, Suite 150  
Baltimore, MD 21244

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