Reimbursement Overview
Coding for MatriStem® in 2012
Information on reimbursement in the U.S. is provided as a courtesy by ACell, Inc. Due to the rapidly changing nature of the law and Medicare payment policy, and reliance on information provided by outside sources, **the information provided herein does not constitute a guarantee or warranty that reimbursement will be received or that the codes identified herein are or will remain applicable.** This information is provided “AS IS” and without any other warranty or guarantee, expressed or implied, as to completeness or accuracy, or otherwise. This information has been compiled based on data gathered from many primary and secondary sources, including the American Medical Association, and certain Medicare contractors. Physicians and other providers must confirm or clarify coding and coverage from their respective payers, as each payer may have differing formal or informal coding and coverage policies or decisions. Physicians and providers are responsible for accurate documentation of patient conditions and for reporting of procedures and products in accordance with particular payer requirements.
ACell, Inc. has compiled this summary of Medicare payment rates to provide information on payments for items and services related to ACell’s products. Medicare rates are the only publicly posted rates which other providers use to set their own rate. The figures listed are provided as a frame of reference for customers. The identification of payment rates does not guarantee coverage by Medicare or other payers, as there are non-coverage policies related to MatriStem medical devices.

Each provider is responsible for verifying coverage with the patient’s insurance carrier, including the applicability of any non-coverage decision that may exist for ACell’s MatriStem products. The identification of the codes in this document should not be construed as providing clinical advice, dictating reimbursement policy, or substituting the judgment of a practitioner. It is always the provider’s responsibility to determine and submit appropriate codes, charges, and modifiers for services that are rendered.
Reimbursement impacts all call points

- Hospital Inpatient Procedures
- Hospital Outpatient Procedures
- Ambulatory Surgical Centers
- Physician’s Offices
- Long Term Care Facilities
- Home Health Agencies
3 Components of Reimbursement

1. Coding (CPT Application Codes and HCPCS Q Codes)
2. Payment (2012 ASP Medicare Part B Drug File)
3. Coverage (Inpatient, HOPD, ASCs & Doctors Office)

Existence of a HCPCS Code and a payment rate does not Guarantee Coverage.
Operating Room procedures that require an overnight stay

- Procedure Code: DRG
- Additional payment: for the application of MatriStem
- Product: No separate reimbursement for MatriStem; the cost of the product is packaged into the procedure (DRG)
1. Coding:

- Diagnosis Related Group (DRG)
- ICD-9-CM DRG Procedural DX Code
- 86.65 – Implantation of non-human tissue graft – MatriStem Wound/Surgical Matrix

**DRG Codes commonly used when billing for MatriStem**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>574</td>
<td>Skin Graft for Skin Ulcer or Cellulitis with CC</td>
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<tr>
<td>575</td>
<td>Skin Graft for Skin Ulcer or Cellulitis without CC/MCC</td>
</tr>
<tr>
<td>576</td>
<td>Skin Graft Except for Skin Ulcer or Cellulitis with MCC</td>
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<tr>
<td>577</td>
<td>Skin Graft Except for Skin Ulcer or Cellulitis with CC</td>
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<tr>
<td>578</td>
<td>Skin Graft Except for Skin Ulcer or Cellulitis without CC/MCC</td>
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<td>904</td>
<td>Skin Grafts for Injuries with CC/MCC</td>
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<tr>
<td>905</td>
<td>Skin Grafts for Injuries without CC/MCC</td>
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<td>927</td>
<td>Extensive Burns or Full Thickness Burns with Mechanical Ventilation 96+ Hours with Skin Graft</td>
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<tr>
<td>928</td>
<td>Full Thickness Burn with Skin Graft or Inhalation Injury with CC/MCC</td>
</tr>
<tr>
<td>929</td>
<td>Full Thickness Burn with Skin Graft or Inhalation Injury without CC/MCC</td>
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<tr>
<td>957</td>
<td>Other O.R. Procedures for Multiple Significant Trauma with MCC</td>
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<td>Nonextensive O.R. Procedure Unrelated to Principal Diagnosis with MCC</td>
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<td>Nonextensive O.R. Procedure Unrelated to Principal Diagnosis with CC</td>
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<td>989</td>
<td>Nonextensive O.R. Procedure Unrelated to Principal Diagnosis without CC/MCC</td>
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2. **Payment:**
   - Procedure DRG
   - Application additional reimbursement for 86.65
   - Product packaged into the DRG

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<th>Description</th>
<th>Amount</th>
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3. **Coverage:**
   - Operating Room
Operating Room procedures that do not require an overnight stay (HOPD, ASC, Hospital-based wound clinics)

- Procedure Code: CPT
- Additional payment: for the application of MatriStem
- Product: Separate reimbursement for MatriStem
  - Third party insurance companies may pay for the product with a pre-approval or pre-certification (e.g. Aetna and United Healthcare)
HOSPITAL OUTPATIENT SETTING

1. Coding:
   • Procedure: CPT Codes
     • Application, Skin Substitutes: (15271-15278)
     • Surgical Implantation: (15777)
   • Product: HCPCS Codes
     • Q4118 MatriStem MicroMatrix
     • Q4119 MatriStem Wound Matrix
     • Q4100 MatriStem Surgical Matrix

NOT SEPARATELY BILLABLE OR PAYABLE
HOSPITAL OUTPATIENT SETTING

2. Payment:

- Procedure
  - Application, total area (sq cm) of the wound(s)
  - Surgical Implantation

- Product
  - MatriStem MicroMatrix (Q4118) @ $2.92/1mg
  - MatriStem Wound Matrix (Q4119) @ $4.85/sq cm

- 2012 ASP Medicare Part B Drug File
3. Coverage:

- Operating Room
- HOPD
- Wound Care Clinics
Operating Room procedures that do not require an overnight stay (HOPD, ASC, Hospital-based wound clinics)

- Procedure Code: CPT
- Additional payment: for the application of MatriStem
- Product: Separate reimbursement for MatriStem
  - Third party insurance companies may pay for the product with a pre-approval or pre-certification (e.g. Aetna and UnitedHealthcare)
1. Coding:
   • Procedure: CPT Codes
     • Application: (15271-15278)
     • Surgical Implantation (15777)
   • Product: HCPCS Codes
     • Q4118 MatriStem MicroMatrix
     • Q4119 MatriStem Wound Matrix
     • Q4100 MatriStem Surgical Matrix

NOT SEPARATELY BILLABLE OR PAYABLE
2. Payment:

- **Procedure**
  - Application, total area (sq cm) of the wound(s)
  - Surgical Implantation

- **Product**
  - MatriStem MicroMatrix (Q4118) @ $2.92/1mg
  - MatriStem Wound Matrix (Q4119) @ $4.85/sq cm

- 2012 ASP Medicare Part B Drug File
3. Coverage:

- Operating Room
- HOPD
- Wound Care Clinics
Surgical Reimbursement

- MatriStem Surgical Matrix RS
- MatriStem Surgical Matrix PSM
- MatriStem Surgical Matrix PSMX
- MatriStem Surgical Matrix Large Area Devices
- MatriStem Pelvic Floor Matrix
CPT® CODES
FOR IMPLANTATION OF BIOLOGIC IMPLANTS

Procedure Code 15777

Description: Implantation of biologic implant (e.g., MatriStem Matrix-acellular xenograft) for soft tissue reinforcement (e.g. chronic wounds, breast, trunk)

   — (List separately in addition to code for primary procedure)

NOTE: Skin Substitutes CPT Codes (15271-15278) are for topical application of skin substitute grafts, not for implants.
Surgical Application Example:

PSMX0710 is surgically implanted for a soft tissue procedure (trunk).

Code CPT 15777 for

- Facility
- Professional Charges

(other CPT Codes for primary surgical procedure, plus Q-Codes for product)
Common ICD-9-CM Diagnosis Codes Used in the Outpatient Setting

- **707.0X** Decubitus Ulcer
- **707.1X** Ulcer of Lower Limbs, Except Pressure Ulcer
- **707.8, 707.9** Chronic Ulcers of Specified and Unspecified Sites
- **440.23** Atherosclerosis of the Extremities with Ulceration
- **250.8X, 707.1X** Diabetic Ulcer
- **459.31** Chronic Venous Hypertension with Ulcer
- **459.33** Chronic Venous Hypertension with Ulcer and Inflammation
- **998.32** Disruption of External Operation (Surgical) Wound
Physician’s Office

Doctor’s office or separate wound clinic

• Procedure Code: CPT Application Codes
• Product: Separate reimbursement for MatriStem
  – Third party insurance companies may pay for the product with a pre-approval or pre-certification (e.g. Aetna and United Healthcare)
1. Coding:
   - Procedure: CPT Codes
     - Application: (15271-15278)
   - Product: HCPCS Codes
     - Q4118 MatriStem MicroMatrix
     - Q4119 MatriStem Wound Matrix
2. Payment:

- Procedure
  - Application, total per sq cm of the wound(s)
- Product reimbursed at 106% of invoice price
  - 2012 ASP Medicare Part B Drug File Guidelines
3. Coverage:
   • Doctors/Physician’s Office (Place of Service Code 11)
Wound care reimbursement

- MatriStem MicroMatrix
- MatriStem Wound Matrix
The following information is provided by ACell, Inc. as a courtesy and a guide for reimbursement for MatriStem Wound Matrix. Reasonable effort has been made to provide accurate coding information, however it should not be construed as providing clinical advice, dictating reimbursement policy or substituting for the judgment of a practitioner. Provider is responsible for verifying coverage with the patient’s insurance carrier, including the applicability of any non-coverage decision that may exist for ACell MatriStem Wound Matrix. Providers are responsible for accurate documentation of patient conditions and for reporting of procedures and products in accordance with particular payer requirements. ACell assumes no responsibilities or liabilities for the timeliness, accuracy and completeness of the information contained herein. Therefore, since reimbursement laws, regulations and payer policies change frequently, it is recommended that providers consult with their specific payers, coding specialists and/or legal counsel regarding coverage, coding and payment issues. Contact ACell Reimbursement at 1-800-826-2926, option 4 for additional reimbursement assistance.

General Indications for Coverage

MatriStem Wound Matrix is intended for the management of wounds including: partial and full-thickness wounds, pressure ulcers, venous ulcers, diabetic ulcers, chronic vascular ulcers, tunneled/undermined wounds; surgical wounds (donor sites/grafts, post-Mohs surgery, post-laser surgery, podiatric, wound dehiscence), trauma wounds (abrasions, lacerations, second-degree burns, skin tears) and draining wounds. The device is intended for one time use.

MatriStem MicroMatrix® is intended for management of topical wounds including: partial and full-thickness wounds, pressure ulcers, venous ulcers, diabetic ulcers, chronic vascular ulcers, tunneled/undermined wounds, surgical wounds (donor sites/grafts, post-Mohs surgery, post-laser surgery, podiatric, wound dehiscence), trauma wounds (abrasions, lacerations, second-degree burns, skin tears) and draining wounds. The device is intended for one time use.

MatriStem Wound Matrix and MatriStem MicroMatrix are contraindicated in patients with known sensitivity or allergy to porcine materials and third-degree burns.

MatriStem Surgical Matrix (RS, PSM, PSMX) is intended for implantation to reinforce soft tissue where weakness exists in urological, gynecological, and gastroenterological anatomy including, but not limited to the following procedures: pubourethral support, tissue repair, body wall repair, and esophageal repair. The device is intended for one time use.

MatriStem Surgical Matrix is contraindicated in patients with known sensitivity or allergy to porcine materials.
CPT CODES FOR APPLICATION OF SKIN SUBSTITUTES

Wound Surface Area Less Than 100 sq cm

- 15271 Application of skin substitute graft to trunk, arms, legs, total wound surface area up to 100 sq cm; first 25 sq cm or less wound surface area.
  - +15272 Each additional 25 sq cm wound surface, or part thereof.

- 15275 Application of skin substitute graft to face, scalp, eyelids, mouth, neck, ears, orbits, genitalia, hands, feet, and/or multiple digits, total wound surface area up to 100 sq cm; first 25 sq cm or less wound surface area.
  - +15276 Each additional 25 sq cm wound surface, or part thereof.

Wound Surface Area Greater Than or Equal to 100 sq cm

- 15273 Application of skin substitute graft to trunk, arms, legs, total wound surface area greater than or equal to 100 sq cm; first 100 sq cm wound surface area, or 1% of body area of infants and children.
  - +15274 Each additional 100 sq cm wound surface area or part thereof, or each additional 1% of body area of infants and children or part thereof.

- 15277 Application of skin substitute graft to face, scalp, eyelids, mouth, neck, ears, orbits, genitalia, hands, feet, and/or multiple digits, total wound surface area greater than or equal to 100 sq cm; first 100 sq cm wound area, or 1% of infants and children.
  - +15278 Each additional 100 sq cm wound surface area, or part thereof, or each additional 1% of body area of infants and children or part thereof.
New CPT Codes Released from the American Medical Association and Centers for Medicare & Medicaid Services Relevant to Skin and Dermal Substitutes

Effective January 1, 2012 the American Medical Association has released several new Current Procedural Terminology (CPT®) Codes that are relevant to the application of Matristem® products. In addition, the Centers for Medicare & Medicaid Services have introduced in January of 2011 HCPCS Level II codes relevant to Matristem products. The new code descriptions are detailed below for reference by the clinical community:

**New CPT Codes for Wound Surface Area Smaller Than 100 sq cm**

- **15271** Application of skin substitute graft to trunk, arms, legs, total wound surface area up to 100 sq cm; first 25 sq cm or less wound surface area
  - **15272** Each additional 25 sq cm wound surface, or part thereof

- **15275** Application of skin substitute graft to face, scalp, eyelids, mouth, neck, ears, orbits, genitalia, hands, feet, and/or multiple digits, total wound surface area up to 100 sq cm; first 25 sq cm or less wound surface area
  - **15276** Each additional 25 sq cm wound surface, or part thereof

**New CPT Codes for Wound Surface Area Greater Than 100 sq cm**

- **15273** Application of skin substitute graft to trunk, arms, legs, total wound surface area greater than or equal to 100 sq cm; first 100 sq cm wound surface area, or 1% of body area of infants and children
  - **15274** Each additional 100 sq cm wound surface area or part thereof, or each additional 1% of body area of infants and children or part thereof

- **15277** Application of skin substitute graft to face, scalp, eyelids, mouth, neck, ears, orbits, genitalia, hands, feet, and/or multiple digits, total wound surface area greater than or equal to 100 sq cm; first 100 sq cm wound area, or 1% of infants and children
  - **15278** Each additional 100 sq cm wound surface area, or part thereof, or each additional 1% of body area of infants and children or part thereof
CPT CODES FOR APPLICATION OF SKIN SUBSTITUTES
LESS THAN OR EQUAL TO 100 SQ CM

Wound Surface Area Less Than 100 sq cm
- 15271 Application of skin substitute graft to trunk, arms, legs, total wound surface area up to 100 sq cm; first 25 sq cm or less wound surface area.
  - +15272 Each additional 25 sq cm wound surface, or part thereof.

- 15275 Application of skin substitute graft to face, scalp, eyelids, mouth, neck, ears, orbits, genitalia, hands, feet, and/or multiple digits, total wound surface area up to 100 sq cm; first 25 sq cm or less wound surface area.
  - +15276 Each additional 25 sq cm wound surface, or part thereof.
**Example: Wound Surface Area Less Than or Equal to 100 sq cm**

Example: Wound Surface Area Less Than or Equal to 100 sq cm

A wound on a patient’s neck is 9 cm long by 10 cm wide. The doctor applied a WS0710 and a WS0307 in an ASC.

For an ASC, code the application of the product by the total size of the wound: 9 x 10 = 90 sq cm

- HCPCS Q Code: Q4119 for MatriStem Wound Matrix
  - 1-25 sq cm x 1 = 15275 for 25 sq cm = $130.55
  - 26-50 sq cm x 1 = 15276 for 25 sq cm = $ 48.10
  - 51-75 sq cm x 1 = 15276 for 25 sq cm = $ 48.10
  - 76-99 sq cm x 1 = 15276 for 15 sq cm = $ 48.10
  - 90 sq cm $274.85

For an ASC, code the product by the total product size: (7 x 10 = 70) + (3 x 7 = 21) = 91 sq cm

- 91 x $4.85 per sq cm = $441.35

List price of product: WS0710 ($320.00) + WS0307 ($147.00) = $467
# 2012 Medicare National Fee Schedule

## Hospital Outpatient Departments/Physician Payment/Physician’s Office

| Setting                          | MatriStem Product Payment | First 25 cm² | Add’l 25 cm² | First 100 cm² | Add’l 100 cm² | First 25 cm² | Add’l 25 cm² | First 100 cm² | Add’l 100 cm² | First 25 cm² | Add’l 25 cm² | First 100 cm² | Add’l 100 cm² |
|----------------------------------|---------------------------|--------------|-------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|-------------|--------------|--------------|-------------|
| Hospital Outpatient: Hospital Payment | Q4118, Q4119             | $2.92/1mg, $4.85/cm² | APC 0134   | $227.80     | CPT 15271    | APC 0135    | $41.78      | CPT 15272    | APC 0135    | $31.90       | CPT 15273    | APC 0135    | $113.90      |
| Hospital Outpatient: Physician’s Payment | Q4118, Q4119             | $2.92/1mg, $4.85/cm² | $17.36      | $269.33     | $44.25       | $101.77     | $24.85       | $216.14     | $54.80       |
| Physician’s Office: Physician/Office | Q4118, Q4119             | $2.92/1mg, $4.85/cm² | $144.32     | $272.23     | $296.47      | $69.78      | $154.87      | $33.70       | $298.17      | $82.03      |

## Ambulatory Surgery Center (ASC)

| Setting                          | MatriStem Product Payment | First 25 cm² | Add’l 25 cm² | First 100 cm² | Add’l 100 cm² | First 25 cm² | Add’l 25 cm² | First 100 cm² | Add’l 100 cm² | First 25 cm² | Add’l 25 cm² | First 100 cm² | Add’l 100 cm² |
|----------------------------------|---------------------------|--------------|-------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|-------------|--------------|--------------|-------------|
| 2012 ASC Facility Payment        | Q4118, Q4119             | $2.92/1mg, $4.85/cm² | Payment indicator G2 | $130.55     | CPT 15271    | Payment indicator G2 | $48.10      | CPT 15272    | Payment indicator G2 | $198.81     | CPT 15273    | Payment indicator G2 | $130.55     |
| 2012 ASC Physician/Office        | Q4118, Q4119             | $2.92/1mg, $4.85/cm² | $17.36      | $269.33     | $44.25       | $101.77     | $24.85       | $216.14     | $54.80       |

Payment Indicator G2 - Non office based surgical procedure added in CY 2008 or later, payment based on OPPS relative payment weight.

### New 2012 CPT® Codes and Descriptions - Code based on total wound surface and anatomical site

- **15271**: Application of skin substitute graft to trunk, arms, legs, total wound surface area up to 100 sq cm; first 25 sq cm or less of wound surface area
- **15272**: Each additional 25 sq cm wound surface area, or part thereof (List separately in addition to code for primary procedure)
- **15273**: Application of skin substitute graft to trunk, arms, legs, total wound surface greater than or equal to 100 sq cm; first 100 sq cm wound surface area, or 1% of body area of infants and children
- **15274**: Each additional 100 sq cm wound surface area, or part thereof, or each additional 1% of body area of infants and children, or part thereof (List separately in addition to code for primary procedure)
- **15275**: Application of skin substitute graft to face, scalp, feet, etc., total wound surface area up to 100 sq cm; first 25 sq cm or less
- **15276**: Each additional 25 sq cm wound surface area, or part thereof (List separately in addition to code for primary procedure)
- **15277**: Application of skin substitute graft to face, scalp, feet, etc., total wound surface area greater than or equal to 100 sq cm; first 100 sq cm wound surface area, or 1% of body area of infants and children
- **15278**: Each additional 100 sq cm wound surface area, or part thereof, or each additional 1% of body area of infants and children (List separately in addition to code for primary procedure)

Providers are responsible for verifying coverage with the patient’s insurance carrier, including the applicability of any non-coverage decision that may exist for ACell MatriStem® Wound Matrix and Micromatrix®. Since reimbursement laws, regulations and payer policies change frequently, it is recommended that providers consult with their payers, coding specialists and/or legal counselor regarding coverage, coding and payment issues.

ACell assumes no responsibility for the timeliness, accuracy and completeness of the coding information suggested to the Provider/Physician’s and their Billing Staff.

Sources: [www.cms.gov](http://www.cms.gov); CPT® is a registered trademark of the American Medical Association
Wound Surface Area Greater Than or Equal to 100 sq cm

- 15273 Application of skin substitute graft to **trunk, arms, legs**, total wound surface area greater than or equal to 100 sq cm; first 100 sq cm wound surface area, or 1% of body area of infants and children.
  - +15274 Each additional 100 sq cm wound surface area or part thereof, or each additional 1% of body area of infants and children or part thereof.

- 15277 Application of skin substitute graft to **face, scalp, eyelids, mouth, neck, ears, orbits, genitalia, hands, feet, and/or multiple digits**, total wound surface area greater than or equal to 100 sq cm; first 100 sq cm wound area, or 1% of infants and children.
  - +15278 Each additional 100 sq cm wound surface area, or part thereof, or each additional 1% of body area of infants and children or part thereof.
Example: Wound Surface Area Greater Than or Equal to 100 sq cm

A wound on a patient’s leg is 10cm long by 8cm wide. The doctor applied a WS1015 and 100mg vial of MicroMatrix in the doctor’s office.

For a Doctor’s Office, code the application of the product by the total size of the wound: 10x12=120 sq cm

   HCPCS Q Code: Q4118 for MatriStem MicroMatrix
   HCPCS Q Code: Q4119 for MatriStem Wound Matrix

   1-25 sq cm x 1 = 15273 for 25 sq cm = $296.47
   26-50 sq cm x 1 = 15274 for 25 sq cm = $  69.78
   51-75 sq cm x 1 = 15274 for 25 sq cm = $  69.78
   76-99 sq cm x 1 = 15274 for 25 sq cm = $  69.78
   76-99 sq cm x 1 = 15274 for 20 sq cm = $  69.78

120 sq cm $575.59

List price of product: WS1015 ($682.00) + MM0100 ($320.00) = $1,002.00

For a Doctor’s Office, the product is reimbursed at 106% of the invoice price: $1,002.00 x 106% = $1,062.12
# 2012 Medicare National Fee Schedule

## Hospital Outpatient Departments/Physician Payment/Physician’s Office

<table>
<thead>
<tr>
<th>Setting</th>
<th>MatriStem Product Payment</th>
<th>First 25 cm² CPT 15271</th>
<th>Add'l 25 cm² CPT 15272</th>
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## Ambulatory Surgery Center (ASC)

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<th>First 25 cm² CPT 15275</th>
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<th>First 100 cm² CPT 15277</th>
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Payment Indicator 02 - Non-office based surgical procedure added in CY 2008 or later, payment based on OPPS relative payment weight.

### New 2012 CPT® Codes and Descriptions
- Code based on total wound surface and anatomical site
- 15271: Application of skin substitute graft to trunk, arms, legs, total wound surface area up to 100 sq cm; first 25 sq cm or less of wound surface area
- 15272: Each additional 25 sq cm wound surface area, or part thereof (List separately in addition to code for primary procedure)
- 15273: Application of skin substitute graft to trunk, arms, legs, total wound surface area greater than or equal to 100 sq cm; first 100 sq cm wound surface area, or 1% of body area of infants and children
- 15274: Each additional 100 sq cm wound surface area, or part thereof, or each additional 1% of body area of infants and children, or part thereof (List separately in addition to code for primary procedure)
- 15275: Application of skin substitute graft to face, scalp, feet, etc., total wound surface area up to 100 sq cm; first 25 sq cm or less
- 15276: Each additional 25 sq cm wound surface area, or part thereof (List separately in addition to code for primary procedure)
- 15277: Application of skin substitute graft to face, scalp, feet, etc., total wound surface area greater than or equal to 100 sq cm; first 100 sq cm wound surface area, or 1% of body area of infants and children
- 15278: Each additional 100 sq cm wound surface area, or part thereof, or each additional 1% of body area of infants and children (List separately in addition to code for primary procedure)

Providers are responsible for verifying coverage with the patient’s insurance carrier, including the applicability of any non-coverage decision that may exist for ACell MatriStem® Wound Matrix and MicroMatriX®. Since reimbursement laws, regulations and payer policies change frequently, it is recommended that providers consult with their payers, coding specialists and/or legal counsel regarding coverage, coding and payment issues.

ACell assumes no responsibility for the timeliness, accuracy and completeness of the coding information suggested to the Provider/Physician’s and their Billing Staff.

Sources: www.cms.gov; CPT® is a registered trademark of the American Medical Association
Wound Care Code Modifiers Used in the Outpatient Setting – Q Codes Only

- Check Medicare LCD for specific use for:
  - KX modifier (Skin substitute products and their application procedures for which the skin substitute was handled, applied, and immobilized appropriately and according to manufacturers’ label instructions)
  - JC (Report skin substitute products used as a skin graft)
  - JW (Product wasted - discarded)
**SERVICE SETTINGS OVERVIEW**

**Hospital Inpatient Setting** - Operating Room procedures that require an over night stay

1. **Coding:**
   - Diagnosis Related Group (DRG)
   - ICD-9-CM DRG Procedural DX Code
   - 86.65 – Implantation of non-human tissue graft – MatriStem Wound/Surgical Matrix

2. **Payment:**
   - Procedure: DRG
   - Additional Reimbursement for 86.65
   - Product: packaged into the DRG

3. **Coverage:**
   - Operating Room
Hospital Outpatient & Ambulatory Surgical Centers (ASC) - Operating Room procedures that do not require an overnight stay

1. Coding:
   - Procedure: CPT Codes
     - Application: (15271-15278) or Surgical Code
   - Product: HCPCS Codes
     - Q4118 MatriStem MicroMatrix
     - Q4119 MatriStem Wound Matrix
   - Q4100 MatriStem Surgical Matrix
     NOT SEPARATELY BILLABLE OR PAYABLE

2. Payment:
   - Procedure
     - Application, total per sq cm of the wound(s) or Surgical Implantation
   - Product
     - MatriStem MicroMatrix (Q4118) @ $2.92/1mg
     - MatriStem Wound Matrix (Q4119) @ $4.85/sq cm
   - 2012 ASP Medicare Part B Drug File

3. Coverage:
   - Operating Room
   - HOPD
   - Wound Care Clinics
**SERVICE SETTINGS OVERVIEW**

**Physician Office** - Doctor’s office or separate wound clinic

1. **Coding**
   - Procedure: CPT Codes
     - Application: (15271-15278)
   - Product: HCPCS Codes
     - Q4118 MatriStem MicroMatrix
     - Q4119 MatriStem Wound Matrix

2. **Payment**
   - Procedure
     - Application, total per sq cm of the wound(s)
   - Product reimbursed at 106% of invoice price
     - 2012 ASP Medicare Part B Drug File Guidelines

3. **Coverage**
   - Doctors/Physician’s Office (Place of Service Code 11)
SERVICE SETTINGS OVERVIEW

Skilled Nursing Facility: SNF

- If stocked in the facility, no separate reimbursement for MatriStem; the cost of the product is packaged into the procedure Resource Utilization Group (RUG).
- If not stocked in facility, just like Doctor’s Office

Home Health Agency

- Payment is for routine supplies included in the per diem, subject to costs limits (third party insurance companies)
- For non-routine supplies (Skin Substitutes) subject to per beneficiary cost limits under IPS (Interim Payment System)
## Reimbursement Summary

**MEDICARE PAYMENT METHODS FOR WOUND CARE AND SKIN CARE PRODUCTS**

<table>
<thead>
<tr>
<th>SETTING</th>
<th>MEDICARE PRIMARY PAYMENT METHOD</th>
<th>MEDICARE CONTRACTOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital Inpatient</td>
<td>Part A: Included in the DRG payment</td>
<td>FI/Local Medicare Carrier</td>
</tr>
<tr>
<td>Hospital Outpatient</td>
<td>Part B: Payment based on lower of reasonable costs or charges</td>
<td>FI/Local Medicare Carrier</td>
</tr>
<tr>
<td>Ambulatory Surgical Center (ASC)</td>
<td>Part B: Included in ASC fee schedule</td>
<td>Carrier</td>
</tr>
<tr>
<td>Skilled Nursing Facility (SNF)</td>
<td>Part A: Included in RUG payment (Resource Utilization Groups)</td>
<td>FI/Local Medicare Carrier</td>
</tr>
<tr>
<td>Nursing Facility Care (not SNF)</td>
<td>Part B: Lower of submitted charge or fee schedule amount</td>
<td>DMERC Durable Medical Equipment Regional Carrier</td>
</tr>
<tr>
<td>Note: Medicaid and private pay are the primary payors for NF care</td>
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<tr>
<td>Home Health Agency</td>
<td>Part A: Payment for routine supplies included in the per diem, subject to costs limits; payment for nonroutine supplies subject to per beneficiary cost limits under IPS</td>
<td>RHHI</td>
</tr>
<tr>
<td>Home Health Agency</td>
<td>Part B: Lower of submitted charge or fee schedule amount (submitted by supplier)</td>
<td>DMERC Durable Medical Equipment Regional Carrier</td>
</tr>
<tr>
<td>Physician Office (Take-Home Supplies where physician has supplier number)</td>
<td>Part B: Included in the visit payment (Part B: Lower of submitted charge or fee schedule amount)</td>
<td>Carrier (DMERC)</td>
</tr>
</tbody>
</table>

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QUESTIONS?
QUIZ TIME

All Coding and Reimbursement Information are located on DropBox and on the ACell Website for you and your Customers