Purchased Service Notification FAQ

Purpose

The purpose of this document is to provide Medicare billing guidelines related to purchased technical services under the Anti-Markup Rule[i] when performance of professional and technical service AMA CPT codes[ii] are shared by an independent diagnostic testing facility (IDTF) and a physician office specifically for external cardiac monitoring, also know ambulatory electrocardiographic cardiac monitoring (AECG) services.

Introduction

Boston Scientific Cardiac Diagnostics (BSC CDx) is a subsidiary of Boston Scientific and is a "diagnostic testing facility" and certified by the Centers for Medicare & Medicaid Services (CMS) specifically as an independent diagnostic testing facility (IDTF). "Diagnostic testing facility" means freestanding (fixed-site or mobile) and physician office-based diagnostic testing facilities that furnish the technical and, sometimes, the professional component of diagnostic testing services to patients who are not registered hospital inpatients or outpatients.[iii] An IDTF is a facility that is independent both of an attending or consulting physician's office and of a hospital. Medicare Administrative Contractors (MACs) pay for diagnostic procedures under the physician fee schedule when performed by an IDTF. Details on IDTF standards and requirements are referenced in 42 C.F.R. section 410.33(g).[iii]

A diagnostic test must be ordered by the physician or non-physician practitioner (i.e., clinical nurse specialists, nurse practitioners, or physician assistants operating within the scope of their state license and Medicare statutory benefit) who furnishes a consultation or treats a beneficiary for a specific medical problem and who uses the results in the management of the beneficiary's specific medical problem (the "treating physician/practitioner").

According to CMS, tests not ordered by the treating physician/practitioner are not reasonable and necessary and, therefore, not covered.[iv]

Note: For private, commercial payer plans, including Medicare Advantage, we recommend consulting directly with the plan to determine policy and contractual limitations.

IDTF Services Defined

BSC CDx offers a full portfolio of mobile cardiac health solutions and services, ranging from ambulatory cardiac monitors – including short and long-term Holter monitors – to cardiac event monitors and mobile cardiac telemetry. The monitors use a fully integrated, cloud-based platform supported by an IDTF facility, where clinical technicians and artificial intelligence (AI) algorithms provide insights that may lead to improved clinical diagnoses and outcomes. The BSC CDx IDTF monitoring services are provided in two locations, which physically house cardiac technicians receiving the remote technical monitoring data, in the states of California and Texas.

A list of possible CPT®/HCPCS codes that may be used to bill for external cardiac monitoring services is available in the **External Cardiac Monitoring Quick Reference resource**. Providers should select the most appropriate code(s) and modifier(s) with the highest level of detail to describe the service(s) actually rendered.

Payer policies will vary and should be verified prior to treatment for limitations on diagnosis, coding, or site of service requirements. The coding options listed within this guide are commonly used codes and are not intended to be an all-inclusive list. We recommend consulting your relevant manuals for appropriate coding options.

See important notes on the uses and limitations of this information on page 4.

Diagnostic Tests: Personally Performed or Purchased

Services related to external cardiac monitoring may be coded and billed as[v]:

- **Professional component only:** Includes physician interpretation or read of the diagnostic test. The billing entity interprets the test but does not perform and/or supervise employees performing the technical component.
- **Technical component only:** Includes scanning, transmission, and analysis of data inclusive of technologist staff and equipment costs. The billing entity personally performs and/or supervises employees performing the technical component but does not interpret the test.
- **Global procedures:** Physician assumes responsibility for both technical and professional, bills the insurance payer directly. The physician must supervise employees who perform the technical component. Services not directly supervised by the ordering physician may be subject to the Anti-Markup Rule.
- **Purchased technical component:** The physician submits a bill to the insurance payer for a technical service that is purchased from an IDTF. This applies when a physician orders a diagnostic test and the technical component is purchased from and performed by an IDTF. Two codes are submitted by the physician to the insurance payer, one for the technical purchased service performed by the IDTF and one for professional component. This billing scenario primarily differs from billing global in that the physician does not personally supervise employees performing the technical component.

The external cardiac monitoring CPT codes as described in the **External Cardiac Monitoring Quick Reference** resource are designated global, technical component including device hook-up and/or monitoring, and professional component.

Although any coding and billing arrangements above may apply, the purpose of this document is to provide official AMA CPT coding and Medicare billing guidelines related to purchased technical services when performance of professional and technical services are shared by an IDTF and a physician office.

Frequently Asked Questions

What does Purchased Technical Services mean for a physician practice?

If a test is personally performed by a physician or is supervised by a physician, the physician may submit claims for direct payment under the normal physician fee schedule rules.

If technical services are purchased, special rules apply for the Anti-Markup Rule (Formerly, the Purchased Diagnostic Test Rule)[vi]. The Anti-Markup Rule implements the statutory prohibition against an ordering physician billing Medicare in excess of the net charge for a diagnostic test that is not performed or supervised by the ordering physician or another physician with whom the ordering physician shares a practice.

For private, commercial payer plans, including Medicare Advantage, we recommend consulting directly with the plan to determine policy and contractual limitations.

Purchased technical services may involve technical monitoring and/or device hook-up services provided by BSC CDx cardiac technicians as described in Tables 1 and 2.

Table 1: Technical Monitoring Component Codes for External Cardiac Monitoring Services

Modality	CPT Code	Description
MCT	93229	External mobile cardiovascular telemetry with electrocardiographic recording, concurrent computerized real time data analysis and greater than 24 hours of accessible ECG data storage (retrievable with query) with ECG triggered and patient selected events transmitted to a remote attended surveillance center for up to 30 days; technical support for connection and patient instructions for use, attended surveillance, analysis and transmission of daily and emergent data reports as prescribed by a physician or other qualified health care professional
CEM	93271	External patient and, when performed, auto activated electrocardiographic rhythm derived event recording with symptom-related memory loop with remote download capability up to 30 days, 24-hour attended monitoring; transmission and analysis
LTH	93247	External electrocardiographic recording for more than 7 days up to 15 days by continuous rhythm recording and storage; scanning analysis with report
MTH	93243	External electrocardiographic recording for more than 48 hours up to 7 days by continuous rhythm recording and storage; scanning analysis with report
STH	93226	External electrocardiographic recording up to 48 hours by continuous rhythm recording and storage; scanning analysis with report

See important notes on the uses and limitations of this information on page 4.

Table 2: Technical Device Hook-Up Component Codes for External Cardiac Monitoring Services		
MCT	93229*	External mobile cardiovascular telemetry with electrocardiographic recording, concurrent computerized real time data analysis and greater than 24 hours of accessible ECG data storage (retrievable with query) with ECG triggered and patient selected events transmitted to a remote attended surveillance center for up to 30 days; technical support for connection and patient instructions for use, attended surveillance, analysis and transmission of daily and emergent data reports as prescribed by a physician or other qualified health care professional
CEM	93270	External patient and, when performed, auto activated electrocardiographic rhythm derived event recording with symptom-related memory loop with remote download capability up to 30 days, 24-hour attended monitoring; recording (includes connection, recording, and disconnection)
LTH	93246	External electrocardiographic recording for more than 7 days up to 15 days by continuous rhythm recording and storage; recording (includes connection and initial recording)
MTH	93242	External electrocardiographic recording for more than 48 hours up to 7 days by continuous rhythm recording and storage; recording (includes connection and initial recording)
STH	93225	External electrocardiographic recording up to 48 hours by continuous rhythm recording and storage; recording (includes connection, recording, and disconnection)
*Separate code for device hook-up unavailable for MCT, included in technical code 93229. Hook-up options are dependent on service requirements of specific CPT codes and may be subject to purchased service billing requirements.		

How does the anti-markup rule apply to a physician practice relationship with BSC CDx?

The anti-markup rule applies when a physician orders a diagnostic test and the technical component is performed by an IDTF, i.e., a purchased technical service for a set cost. This scenario is distinct in that the physician does not personally supervise employees performing the technical component.

Since AECG monitoring services are performed by a third party (BSC CDx IDTF), practices must follow Medicare's anti-markup rules, including claims submissions for billing anti-markup services, described below. Practices should consult their compliance department with questions or concerns.

Under the anti-markup payment limitation, payment to the billing physician or other supplier (less the deductibles and coinsurance paid by the beneficiary or on behalf of the beneficiary) for the technical component or professional component of the diagnostic test may not exceed the lowest of the following amounts[vii]:

(1) The performing supplier's net charge to the billing physician or the other supplier*
(2) The billing physician or other supplier's actual charge
(3) The fee schedule amount for the test that would be allowed if the performing supplier billed directly, in this case, the BSC CDx IDTF.
(4) The following represent the Medicare 2023 BSC CDx Technical Payment Rates based on monitoring location[viii]:

CPT Code / HCPCS Code	CA IDTF Location (Noridian)	TX IDTF Location (Novitas)
Mobile Cardiac Telemetry		
93229	$1164.01	$863.61
Cardiac Event Monitor		
93271	$203.16	$150.50
Holter monitoring up to 48 hours continuous recording		
93226	$49.97	$37.23
Holter monitoring long-term continuous recording greater than 48 hours and up to 7 days		
93243	$318.16	$235.54
Holter monitoring long-term continuous recording greater than 7 days up to 15 days		
93247	$334.93	$247.94

*The net charge must be determined without regard to any charge that is intended to reflect the cost of equipment or space leased to the performing supplier by or through the billing physician or other supplier.

The billing entity should maintain contemporaneous documentation of the methodology and information used to calculate the net charge and may do so in any reasonable manner.[x]

How does a physician practice submit claims for the patients that require BSC CDx IDTF services?

The physician practice submits two CMS-1500 claim forms to the insurance payer in a purchased services scenario:

- One claim represents the technical purchased service performed by the IDTF
- One claim represents the professional component interpretation

See important notes on the uses and limitations of this information on page 4.

The physician practice is required to list BSC CDx Services, using BSC CDx's national provider identifier (NPI) and address on the CMS-1500 claim form as the provider that performed the technical monitoring work for all of the technical AECG monitoring codes that apply. The name, address and 9-digit ZIP code should be reported in Item 32 of the CMS-1500 claim, or in the corresponding loop and segment of the electronic claim form. The NPI of the provider performing the AECG monitoring services should be reported in Item 32a of the CMS-1500 claim form or in the corresponding loop and segment of the electronic claim form.

Additionally, select "yes" in Item 20 of the claim form to indicate that the services were performed by an outside lab when submitting the claim and include the lowest of the amounts (1) performing supplier's net charge to the billing physician or other supplier; (2) The billing physician or other supplier's actual charge; or (3) The fee schedule amount in the "$ Charges" section of Item 20.

Various rules may apply, please contact the insurance payer specifically for detailed claims processing instructions.

Submitting Medicare Claims for Purchased Services[ix]			
Claims Information	**CMS 1500 Item**	**Electronic Format Field**	**Details to enter in claim form**
NPI	Item 32a	Loop	NPI: BSC CDx NPI (10634114258)
Performing Provider Address	Item 32	Loop	BSC CDx Address (1717 N Sam Houston Pkwy W, Ste 100, Houston, TX 77038-1324) OR (400 Oyster Point Blvd, Suite 100 South San Francisco, California 94080)
Outside Lab?	Item 20	Loop	Select "Yes"
$ Charges	Item 20	Loop	Include the charge amount per the anti-markup rule

How will a physician practice receive a bill from BSC CDx for patients that require its IDTF services?

BSC CDx when providing a purchased service, charges the physician practice directly for the technical remote monitoring work for AECG services for patients that require the IDTF's services.

Can a physician practice bill for the professional interpretation related to external cardiac monitoring services?

Yes, clinicians in the practice perform professional interpretation, they may bill the professional code associated with the respective AECG service. Codes are described in the **External Cardiac Monitoring Quick Reference** resource. As related to the scenarios within this FAQ document, these are not subject to the anti-markup rule and in a purchased services scenario must be billed on a separate CMS-1500 claim form from the purchased technical service.

Resources

For more information and questions, please contact reimbursementinfo@cdx.bsci.com, 1.888.747.4701 or visit our website at: https://www.CDx.BostonScientific.com/.

Disclaimer

Health Economic and reimbursement information provided by BSC CDx and Boston Scientific Corporation is gathered from third party sources and is subject to change without notice as a result of complex and frequently changing laws, regulations, rules and policies.

This information is presented for illustrative purposes only and does not constitute reimbursement or legal advice. BSC CDx and Boston Scientific encourages providers to submit accurate and appropriate claims for services. It is always the provider's responsibility to determine medical necessity, the proper site for delivery of any services, and to submit accurate and appropriate claims for services rendered. It is also always the provider's responsibility to understand and comply with a Medicare national coverage determinations (NCD) Medicare local coverage determinations (LCD), and any other coverage requirements established by relevant payers which can be up dated frequently.

If technical services are purchased, special rules apply for the Medicare Anti-Markup Rule. Please refer to Purchased Service FAQ for specific details. The Anti-Markup Rule statutory prohibition may apply when a diagnostic service payable under the Medicare Physician Fee Schedule is performed by one physician/supplier and billed by another physician/supplier. For private, commercial payer plans, including Medicare Advantage, we recommend consulting directly with the plan to determine policy and contractual limitations. It is the customer

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responsibility to appropriately code and bill for services in compliance with the purchased service billing guidelines, as reflected in the customer contractual agreements.

BSC CDx and Boston Scientific Corporation recommend that you consult with your payers, reimbursement specialists, and/or legal counsel regarding coding, coverage, and reimbursement matters.

BSC CDx and Boston Scientific do not promote the use of its products outside their FDA Label.

Payer policies will vary and should be verified prior to treatment for limitation on diagnosis, coding, or site of service requirements. The coding options listed within this Patient Care Model are commonly used codes and are not intended to be an all-inclusive list. We recommend consulting your relevant manuals for appropriate coding options.

BSC CDx and Boston Scientific make no representations or warranties as to either your costs or future revenue or your right to any payment from any third party for the devices, software or services provided. It is not the intention of BSC CDx to encourage or reward referrals for cardiac monitoring services. The Health Care Provider (HCP) is solely responsible for selecting the site of services and treatment modalities. There may be clinical differences between/among competitive treatment options that may make one option more appropriate for a particular patient than another, medical appropriateness should be based on the needs of that patient and the independent medical judgement of the HCP.

References

[i] Publication #100-04 Medicare Claims Processing Manual Chapter 1 is located at: https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c01.pdf Accessed October 14, 2022.
[ii] CPT® Disclaimer
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[iii] United States Code of Federal Regulations. 42 CFR § 410.33 Independent diagnostic testing facility. Available at: https://www.govinfo.gov/app/details/CFR- 2011- title42-vol2/CFR-2011-title42-vol2-sec410-33. Accessed on October 14, 2022.
[iv] 42 C.F.R. § 410.32(a).
[v] CMS MLN Matters MM6371. https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/MM6371.pdf. Accessed October 14, 2022.
[vi] (42 U.S.C. 1395u(n); SSA, § 1842(n); 42 C.F.R. § 414.50(b))
[vii] CMS MLN Matters MM8806. https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3098CP.pdf Accessed October 14, 2022.
[viii] CMS Payments: CY2022 Physician Fee Schedule, Final Rule. CMS-1770-F. Technical services provided as IDTF location rates based on:
Houston Novitas and San Francisco (locality 06 - SAN FRANCISCO-OAKLAND-HAYWARD (SAN MATEO CNTY) Noridian Medicare local contractor.
[ix] CMS Professional Paper Claim Form (CMS-1500). Available at: https://www.cms.gov/Medicare/Billing/ElectronicBillingEDITrans/16_1500. Accessed October, 2022.
[X] Federal Register / Vol. 73, No. 224; Medicare Program; Payment Policies Under the Physician Fee Schedule and Other Revisions to Part B for CY 2009; November 19, 2008 https://www.govinfo.gov/content/pkg/FR-2008-11-19/pdf/E8-26213.pdf, Pages 69799-69817