

2019 Lapiplasty® System Reimbursement Information

2019 Medicare Hospital Outpatient Payment Rates¹

Primary Procedure

APC & Medicare National Payment

CPT^{®2} 28297

APC 5114 - \$5,700

Correction, hallux valgus (bunionectomy), with sesamoidectomy, when performed; with first metatarsal and medial cuneiform joint arthrodesis, any method

CPT 28740

APC 5114 - \$5,700

Arthrodesis, midtarsal or tarsometatarsal, single joint

CPT 28730

APC 5115 - \$10,714

Arthrodesis, midtarsal or tarsometatarsal, multiple or transverse

Additional Procedure

Complexity Adjusted APC 5115 - \$10,714*

CPT 27687 - Gastrocnemius recession (eg, Strayer procedure)

CPT 28110 - Osteotomy, partial excision, fifth metatarsal head (bunionette) (separate procedure)

CPT 28298 - Correction, hallux valgus (bunionectomy), with sesamoidectomy, when performed; with proximal phalanx osteotomy, any method

CPT 28300 - Osteotomy; calcaneus (eg, Dwyer or Chambers type procedure), with or without internal fixation

CPT 28308 - Osteotomy, with or without lengthening, shortening or angular correction, metatarsal; other than first metatarsal, each

CPT 20900 - Bone graft, any donor area; minor or small (eg, dowel or button)

CPT 20902 - Bone graft, any donor area; major or large

CPT 28285 - Correction, hammertoe (eg, interphalangeal fusion, partial or total phalangectomy)

CPT 28296 - Correction, hallux valgus (bunionectomy), with sesamoidectomy, when performed; with distal metatarsal osteotomy, any method

CPT 28297 - Correction, hallux valgus (bunionectomy), with sesamoidectomy, when performed; with first metatarsal and medial cuneiform joint arthrodesis, any method

CPT 28298 - Correction, hallux valgus (bunionectomy), with sesamoidectomy, when performed; with proximal phalanx osteotomy, any method

CPT 28299 - Correction, hallux valgus (bunionectomy), with sesamoidectomy, when performed; with double osteotomy, any method

CPT 28300 - Osteotomy; calcaneus (eg, Dwyer or Chambers type procedure), with or without internal fixation

CPT 28308 - Osteotomy, with or without lengthening, shortening or angular correction, metatarsal; other than first metatarsal, each

CPT 28740 - Arthrodesis, midtarsal or tarsometatarsal, single joint

CPT 28750 - Arthrodesis, great toe; metatarsophalangeal joint

These codes have a hospital outpatient Status Indicator of J1, which indicates that Hospital Part B services are paid through a Comprehensive Ambulatory Payment Classification ("C-APC"). A C-APC packages payment for adjunctive and secondary services into the most costly primary procedure.

*Complexity Adjusted code pairs (white boxes linked with yellow and orange) are assigned to APC 5115 with a 2019 Medicare APC rate of \$10,714. Certain claims that contain two or more J1 service units or that contain certain add-on procedure codes may be eligible for a complexity adjustment that promotes the claim to the next higher paying APC within the primary procedure's clinical family.

Healthcare Common Procedure Coding System (HCPCS) Code

HCPCS Code	Description
C1713	Anchor/screw for opposing bone-to-bone or soft tissue-to-bone (implantable)

2019 Medicare Ambulatory Surgery Center (ASC) Payment Rates³

CPT Code	Description	PI*	ASC Payment
28297	Correction, hallux valgus (bunionectomy), with sesamoidectomy, when performed; with first metatarsal and medial cuneiform joint arthrodesis, any method	J8 ⁴	\$3,799
28730	Arthrodesis, midtarsal or tarsometatarsal, multiple or transverse	J8	\$7,873
28740	Arthrodesis, midtarsal or tarsometatarsal, single joint	J8	\$3,951

*PI - ASC Payment Status Indicator

2019 Medicare Physician Payment Rates (Hospital or ASC)⁵

CPT Code	Description	Total RVUs*	Physician Payment
28297	Correction, hallux valgus (bunionectomy), with sesamoidectomy, when performed; with first metatarsal and medial cuneiform joint arthrodesis, any method	17.35	\$625
28730	Arthrodesis, midtarsal or tarsometatarsal, multiple or transverse	21.15	\$762
28740	Arthrodesis, midtarsal or tarsometatarsal, single joint	17.91	\$645

*RVU – Relative Value Unit

Note: Independent claims data indicates the payer mix for bunion patients is approximately 60% commercial; 13% Medicare; 19% Medicaid; 8% other.

- 2019 CMS OPPTS Final Rule, Addenda B and J (available on CMS website) 83 Fed. Reg. 225 (Nov. 21, 2018), and Correction Notice, 83 Fed. Reg. 248 (Dec. 28, 2018).
- Current Procedural Terminology (CPT®) is a registered trademark of the American Medical Association (AMA). Copyright 2019 AMA. All rights reserved.
- 2019 CMS ASC Final Rule, Addendum AA (available on CMS website) 83 Fed. Reg. 225 (Nov. 21, 2018), and Correction Notice, 83 Fed. Reg. 248 (Dec. 28, 2018).
- Device-intensive procedure; paid at adjusted rate.
- 2019 CMS PFS Final Rule, Addendum B (available on CMS website) 83 Fed. Reg. 226 (Nov. 23, 2018). Physician (facility) payment rates included.

Some of the CPT codes for potential procedures are listed above. This is not a comprehensive list of all available codes or procedures, nor is it a recommendation or guidance regarding specific code selection. In some instances, providers may also report HCPCS codes for implantable devices, pins, or screws.

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2019 Lapiplasty® System Reimbursement Examples

Treace Medical Concepts, Inc. is committed to providing accurate reimbursement information. To this end, some coding and Medicare payment examples relating to the use of the Lapiplasty® System in an outpatient setting are provided below. These examples are for illustrative purposes only and are not a guarantee of coverage or payment. The Medicare payment rates indicated were published in the 2019 Medicare Hospital Outpatient Prospective Payment System (OPPS) and Ambulatory Surgery Center (ASC) Final Rules.

Example 1

72 year-old undergoes 1st TMT fusion and an Akin osteotomy.⁶

Medicare FFS

CPT code	Description	2019 OPPS Payment Rate	2019 ASC Payment Rate
28740	Arthrodesis, midtarsal or tarso-metatarsal, single joint	\$5,700	\$3,951
28298	Correction, hallux valgus (bunionectomy), with sesamoidectomy, when performed; with proximal phalanx osteotomy, any method	\$5,700	\$2,744 x 50% = \$1,372
Total Estimated Case Payment		\$10,714 (Complexity Adjustment) ⁷	\$5,323 ⁸

Example 2

68 year-old patient undergoes 1st TMT fusion with bunionectomy and a Weil shortening osteotomy.⁶

CPT code	Description	2019 OPPS Payment Rate	2019 ASC Payment Rate
28297	Correction, hallux valgus (bunionectomy), with sesamoidectomy, when performed; with first metatarsal and medial cuneiform joint arthrodesis, any method	\$5,700	\$3,799
28308	Osteotomy, with or without lengthening, shortening or angular correction, metatarsal; other than first metatarsal, each	\$2,623	\$1,257 x 50% = \$629
Total Estimated Case Payment		\$10,714 (Complexity Adjustment) ⁷	\$4,428 ⁸

⁶ Modifier allowed.

⁷ Certain Outpatient Hospital claims that contain two or more J1 service units or that contain certain add-on procedure codes may be eligible for a complexity adjustment that promotes the claim to the next higher paying APC within the primary procedure's clinical family.

⁸ Multiple procedure payment reduction rules apply (first procedure paid at 100%, subsequent procedures paid at 50%).

Example 3

66 year-old patient undergoes 1st TMT fusion, hammertoe arthrodesis, and a McBride procedure.⁶

Medicare FFS

CPT code	Description	2019 OPPS Payment Rate	2019 ASC Payment Rate
28740	Arthrodesis, midtarsal or tarsometatarsal, single joint	\$5,700	\$3,951
28285	Correction, hammertoe (eg, interphalangeal fusion, partial or total phalangectomy)	\$2,623	\$1,257 x 50% = \$629
28292	Correction, hallux valgus (bunionectomy), with sesamoidectomy, when performed; with resection of proximal phalanx base, when performed, any method	\$2,623	\$1,257 x 50% = \$629
Total Estimated Case Payment		\$10,714 (Complexity Adjustment) ⁷	\$5,209 ⁸

Example 4

68 year-old patient undergoes 1st TMT fusion, hammertoe arthrodesis, McBride procedure, and a Weil shortening osteotomy.⁶

CPT code	Description	2019 OPPS Payment Rate	2019 ASC Payment Rate
28740	Arthrodesis, midtarsal or tarsometatarsal, single joint	\$5,700	\$3,951
28285	Correction, hammertoe (eg, interphalangeal fusion, partial or total phalangectomy)	\$2,623	\$1,257 x 50% = \$629
28292	Correction, hallux valgus (bunionectomy), with sesamoidectomy, when performed; with resection of proximal phalanx base, when performed, any method	\$2,623	\$1,257 x 50% = \$629
28308	Osteotomy, with or without lengthening, shortening or angular correction, metatarsal; other than first metatarsal, each	\$2,623	\$1,257 x 50% = \$629
Total Estimated Case Payment		\$10,714 (Complexity Adjustment) ⁷	\$5,838 ⁸

⁶ Modifier allowed.

⁷ Certain Outpatient Hospital claims that contain two or more J1 service units or that contain certain add-on procedure codes may be eligible for a complexity adjustment that promotes the claim to the next higher paying APC within the primary procedure's clinical family.

⁸ Multiple procedure payment reduction rules apply (first procedure paid at 100%, subsequent procedures paid at 50%).

