Nd:YAG Laser Capsulotomy: 5 Tips for Checking Coding and Documentation

When you bill for Nd:YAG laser capsulotomy, what must you document to establish that the procedure was medically necessary? The requirements are nuanced and may vary depending on your payer, but you can use the tips below to double-check your coding and documentation.

Code 66821 Under Scrutiny

Since late last year, CMS has been looking for potential overuse of CPT code 66821: *Discission of secondary membranous cataract (opacified posterior lens capsule and/or anterior hyaloid); laser surgery (e.g., YAG laser) (1 or more stages).*

CMS has flagged potential outliers. Last year, CMS looked at billing data from 2019 to see how frequently practices performed Nd:YAG laser capsulotomy within 18 months of cataract surgery in the same eye. (It is unclear why the agency chose the 18-month time frame.) Next, the agency sent comparative billing reports (CBRs) to some physicians whom it considered to be outliers.

This increased scrutiny should prompt all practices to check their use of CPT code 66821, even if they haven't yet received a CBR. (For more on CBRs, see "Comparative Billing Reports: If Your E/M Use Is Flagged, Take These 6 Urgent Steps," Savvy Coder, January 2023.)

Tip—Check for BCVA Criteria

Medicare Administrative Contractors (MACs) Palmetto and Cigna Government Services have published local coverage determination (LCD) and article (LCA) policies for Nd:YAG laser capsulotomy. Access these policies at aao.org/lcds to confirm what documentation they require to demonstrate that the laser capsulotomy was medically necessary.

For example, Cigna, which is currently the MAC for Kentucky and Ohio, published an LCD (L33946) that requires numerous criteria to be met, including the following:

- a unique patient complaint documenting the decreased ability to carry out activities of daily living (ADL)
- a BCVA no better than 20/50 (at distance or near) or either documented glare testing or consensual light testing that decreases VA by two lines
- when comorbidities are present (such as macular degeneration or diabetic retinopathy), there is documentation that the posterior capsular opacity is the primary cause of the decrease in vision and that treatment would provide significant improvement in the patient's functionality.

GOT CODING QUESTIONS? *At AAO 2023, you can bring your queries to the AAOE: Coding desk at the Academy Resource Center (West Booth 7537), where you'll also be able to browse the AAOE's coding resources, including* ICD-10-CM for Ophthalmology, Ophthalmic Coding Coach, Fundamentals of Ophthalmic Coding, *the* Coding Assistant *series for subspecialties, and more (aao.org/codingtools).*

Cigna's LCD also notes that if the patient has documented BCVA of 20/40 or better, the physician can still consider a Nd:YAG provided that all the other requirements have been met and documented.

Tip—Check Coverage in Global Period of Cataract Surgery

Suppose a patient undergoes Nd:YAG laser capsulotomy within the global period of cataract surgery. If both procedures were on the same eye, you'll need to check your payer's policies to see if coverage is limited, as would be the case with Palmetto and Aetna, for example.

Palmetto. The relevant Palmetto LCD (L37644) states that if the Nd:YAG laser capsulotomy was performed

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during cataract surgery's three month–global period, it would only be covered if one of these circumstances applies:

- "posterior capsular plaque/opacity which cannot be safely removed during primary phacoemulsification cataract procedure,"
- "capsular block during which cataract remnants and fluid become trapped within the lens capsule and addressed with YAG laser posterior capsulotomy," or
- "contraction of the posterior capsule with displacement of the intraocular lens."

Aetna. For Aetna, Clinical Policy Bulletin 0354[1] describes limited coverage of the Nd:YAG procedure for six months after cataract surgery in the same eye. During that time frame, the laser capsulotomy would be considered medically necessary to address posterior capsular opacification only if:

- BCVA is 20/50 or worse and the visual impairment is interfering with the patient's ADL,
- BCVA is 20/40 or better but the visual disability fluctuates due to glare or decreased contrast and is interfering with the patient's ADL, or
- the procedure is needed 1) to provide better visualization of the posterior pole of patients with diabetic retinopathy, macular disease, or retinal detachment; 2) to diagnose posterior pole tumors; or 3) to evaluate the optic nerve head.

Append modifier –78 to 66821. Because the laser capsulotomy took place during the cataract surgery's global period and both procedures took place in the same eye, a modifier is required. So even if you have met your payer's medical necessity requirements, your claim would be rejected unless you append modifier –78 *unplanned return to the procedure room in the global period,* along with the appropriate anatomical modifier.

Tip—Many Payers Won't Cover Subsequent Laser

The descriptor for CPT code 66821 includes the words *1 or more stages.* Because of that, payers generally don't cover subsequent laser. Furthermore, the Cigna LCD (L33946) states that Nd:YAG laser capsulotomy is not necessary more than once per eye.

However, a second capsulotomy may be covered in unusual cases of underlying conditions that are unrelated to the cataract surgery and that increase the risk for reopacification—but this would need to be documented and might involve a review by the MAC.

Tip—Check Whether Prior Authorization Is Required

Medicare Advantage (MA), commercial, and Medicaid plans continue to push prior authorization requirements, including for CPT code 66821. Last year, Humana started requiring prior authorization for Nd:YAG laser capsulotomy in its Georgia MA plans, but—after a vigorous advocacy campaign by the Academy and others—dropped the requirement on Aug. 1.[2]

Despite this advocacy success, you should stay alert for payers initiating prior authorization requirements.

Nd:YAG Documentation Checklist

Use the checklist below to ensure that you are appropriately documenting your Nd:YAG laser capsulotomies.

- ☐ Patient names and identifiers are present on all pages of the medical record.
- ☐ Chief complaint of visual loss or symptoms of glare is unique to each patient (no cloning between patients).
- ☐ BCVA has been recorded.*
- ☐ The ADL statement notes that the patient is unable to function adequately with the current level of vision.
- ☐ An exam has documented the amount of posterior capsular opacification or other probable causes of decreased vision following cataract surgery.
- ☐ The physician has provided a statement that capsular opacification is believed to contribute to visual impairment when more than one ocular disease is present.
- ☐ The physician has provided a statement that there is reasonable expectation that laser treatment will improve vision.
- ☐ The patient desires and agrees to proceed with laser treatment.
- ☐ The risks, benefits, and alternatives were explained, and the documentation includes the patient's signed consent.
- ☐ A physician's order for the procedure has been documented.
- ☐ The procedure notes include laterality, procedure type (Nd:YAG laser capsulotomy), diagnosis, and procedure description.
- ☐ A valid and legible physician signature is present.

* At time of press, Palmetto and Cigna are the only MACs to have LCDs or LCAs that describe BCVA requirements for Nd:YAG laser capsulotomies.

Tip—Don't Use 66821 for Other Nd:YAG Procedures

Because the Nd:YAG laser is commonly used for capsulotomies, billers sometimes default to CPT code 66821 whenever the device is used. However, depending on the procedure, the correct CPT code could, for example, be 66761, *iridotomy/iridectomy by laser surgery (e.g., for glaucoma) (per session)* for treating glaucoma or *67031, severing of vitreous strands, vitreous face adhesions, sheets, membranes or opacities, laser surgery (1 or more stages)* for troublesome vitreous floaters or strands.

To code any laser procedure, first confirm the diagnosis and that should lead you to the correct CPT code.

1 www.aetna.com/cpb/medical/data/300_399/0354.html. Accessed Aug. 15, 2023.
2 aao.org/advocacy/eye-on-advocacy-article/humana-drops-prior-authorization-cataract-georgia. Accessed Aug. 16, 2023.

AAO 2023 CELEBRATE

MORE AT THE MEETING

Visit aao.org/mobile to explore the AAOE's full practice management program. Some highlights include the following.

Two Half-Day Coding Sessions
You don't have to be registered for AAO 2023 to attend these sessions, but tickets for them are limited.

- **Fundamentals of Ophthalmic Coding** (event code 23Code1). **When:** Friday, Nov. 3, 9:00 a.m.-noon. **Where:** South 207-208.
- **Coding Camp** (23Code2). **When:** Friday, Nov. 3, 1:30-4:30 p.m. **Where:** South 207-208.

Instruction Courses
At Moscone, show your meeting badge for free access to the AAOE's instruction courses, which include several that are focused on coding.

- **Lessons to Learn From Medicare Audits** (225). **When:** Saturday, Nov. 4, 9:45-11:00 a.m. **Where:** South 207-208.
- **Top Strategies to Streamline Your Revenue Cycle** (423). **When:** Sunday, Nov. 5, 9:45-11:00 a.m. **Where:** South 215.
- **Poll the Audience! How to Code Complex Retina and Uveitis Cases** (438). **When:** Sunday, Nov. 5, 11:30 a.m.-12:45 p.m. **Where:** South 215.
- **Code-a-Palooza** (457). **When:** Sunday, Nov. 5, 2:00-3:15 p.m. **Where:** South 215.
- **Making Cents (and Dollars) of Modifiers** (477). **When:** Sunday, Nov. 5, 3:45-5:00 p.m. **Where:** South 215.
- **Ophthalmic Coding Specialist and Ophthalmic Coding Specialist Retina Exam Prep Course** (619). **When:** Monday, Nov. 6, 9:45-11:00 a.m. **Where:** South 215.
- **E/M or Eye Visit Code? How to Choose With Confidence** (634). **When:** Monday, Nov. 6, 11:30 a.m.-12:45 p.m. **Where:** South 215.