

## Medical Coverage Policy | BlueCHiP for Medicare National and Local Coverage Determinations Policy



**EFFECTIVE DATE:** 12|01|2016  
**POLICY LAST UPDATED:** 09|06|2016

### OVERVIEW

Coverage determinations, including medical necessity, for BlueCHiP for Medicare members are made in accordance with the applicable Centers for Medicare and Medicaid Services (CMS) payment policies, national coverage determinations (NCD), and local coverage determinations (LCD).

Blue Cross & Blue Shield of Rhode Island (BCBSRI) must follow CMS guidelines, such as national coverage determinations or local coverage determinations for all BlueCHiP for Medicare policies. Therefore, BlueCHiP for Medicare policies may differ from Commercial products. In some instances, benefits for BlueCHiP for Medicare may be greater than what is allowed by CMS.

Policies will not be produced for covered services.

This policy is not applicable to services that require preauthorization. Please refer to the specific preauthorization policies for Durable Medical Equipment and Genetic Testing and Procedures found in the Related Policies section for further information.

### MEDICAL CRITERIA

Not applicable

### PRIOR AUTHORIZATION

Not applicable

### POLICY STATEMENT

Blue Cross & Blue Shield of Rhode Island makes coverage determinations in accordance with all current CMS national coverage determinations and local coverage determinations.

BCBSRI applies the following defined hierarchy for policy determinations:

National coverage determinations are the primary source for policy determinations.

In the absence of an NCD, BCBSRI utilizes the applicable LCDs under the direction of the local Medicare Administrative Contractor (MAC) for Rhode Island's jurisdiction.

There are some instances where an LCD from a MAC other than Rhode Island's jurisdiction may be used. When a MAC outside of the plan's service area has exclusive jurisdiction over a Medicare covered item or service, the LCD from that region may be used. This generally occurs when there is only one supplier of a brand named or proprietary item, medical device, or diagnostic test (for example, certain pathology and lab tests furnished by independent laboratories). In these situations, BCBSRI should follow the coverage requirements for the LCD in the jurisdiction of the service.

Jurisdiction for proprietary laboratory services furnished by an independent laboratory normally lies with the MAC serving the area where the laboratory is located. However, there are some situations where a regional or

national lab vendor has locations in various states. In these instances the LCD from the jurisdiction where the lab is headquartered would be used.

In the absence of an applicable NCD, LCD, or other CMS-published guidance, BCBSRI will apply policy determinations developed using peer-reviewed scientific evidence.

CMS payment policies, NCDs, and LCDs are subject to change. BCBSRI applies the most current versions of the payment policies, NCDs, and LCDs in making coverage determinations. Providers are responsible for reviewing CMS payment policies and other available CMS guidance.

## **COVERAGE**

Benefits may vary between groups and contracts. Please refer to the appropriate Evidence of Coverage for applicable benefits/coverage.

## **BACKGROUND**

Blue Cross & Blue Shield of Rhode Island's internally developed policies are based on published guideline statements, physician specialty society recommendations, and other forms of credible scientific evidence published in peer-reviewed medical literature, suggesting a causative relationship between the health service and improved patient outcomes.

## **Definitions**

1. Local Coverage Determination – A decision by a Medicare Administrative Contractor whether to cover a particular service on a MAC-wide basis. Codes describing what is covered and what is not covered can be part of the LCD. This includes, for example, lists of CPTs or HCPCS codes that spell out which services the LCD applies to, lists of ICD-10-CM codes for which the service is covered and even lists of ICD-10-CM codes for which the service is not considered reasonable and necessary.

2. Medicare Administrative Contractor – A network of private organizations contracted with CMS that carry out the administrative responsibilities of traditional Medicare (Parts A and B). The network is awarded a geographic jurisdiction to provide administrative functions for Medicare Part A and Part B beneficiaries. MACs are multi-state, regional contractors. Rhode Island's current MACs are National Government Services (NGS) for A/B services and Noridian for durable medical equipment. Rhode Island is part of Jurisdiction K for A/B services and Jurisdiction A for durable medical equipment.

National Government Services: <https://www.ngsmedicare.com>

Noridian Healthcare Solutions: <https://med.noridianmedicare.com>

3. National Coverage Determination – A coverage determination made by CMS that outlines the extent to which specific services, procedures, or technologies are within the scope of a Medicare benefit category: being considered “reasonable and necessary” for the diagnosis or treatment of an illness or injury, and which Medicare will cover on a national basis.

CMS NCD alphabetical index: <https://www.cms.gov/medicare-coverage-database/indexes/ncd-alphabetical-index.aspx?bc=AgAAAAAAAAAAAA&>

The hierarchy for policy determinations is from Chapter 4 of the Medicare Managed Care Manual.

## **CODING**

Not applicable

## **RELATED POLICIES**

Genetic Testing Services

Preauthorization via Web-Based Tool for Durable Medical Equipment  
Preauthorization via Web-Based Tool for Procedures

**PUBLISHED**

Provider Update, December 2016

**REFERENCES**

Centers for Medicare and Medicaid Services. Medicare Managed Care Manual. Chapter 4, Sections 90.1, 90.4.1, 90.4.2, 90.5

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