

Optometry Coding & Billing Alert

READER QUESTIONS: Base Total RVU Calculations on 3 Details

Question: How do I determine which RVUs to use in the Medicare fee schedule for reimbursement rates for our practice?

Texas Subscriber

Answer: The Physician Fee Schedule establishes different values for codes depending on the setting/site (facility or non-facility) in which the provider performs the service or procedure. For some services, the total RVUs for a given procedure are the same in a facility or a non-facility. In some cases, however, the two totals may differ.

How it works: The facility and non-facility totals are made up of several constituent parts: physician work RVUs (to cover the cost of the providers work), practice expense RVUs (to cover the cost of supplies, equipment, etc.), and malpractice expense RVUs (to cover the cost of professional liability expenses).

Physician work RVUs and malpractice expense RVUs are the same, regardless of the setting (facility or nonfacility). Practice expense RVUs may vary by site of service, however (which accounts for the difference in facility and non-facility RVU totals for a given code).

Non-facility calculations: Add together the physician work RVUs (the column titled Work RVU), the non-facility practice expense RVUs (Transitioned Nonfac PE RVU column), and the malpractice RVUs (column labeled MP RVU) for the total non-facility RVUs for a given code.

This total will also appear in the column labeled Transitioned Non-Fac Total.

To then figure out the national unadjusted fee for a code, multiply the transitioned non-facility RVU total by the 2009 conversion factor (\$36.0666).

Example: To calculate the unadjusted fee for E/M visit code 99213 (Office or other outpatient visit for the evaluation and management of an established patient &) multiply the transitioned non-facility total (1.70) by \$36.0666. You can therefore figure out that the 2009 unadjusted fee for 99213 is \$61.31.

Alternative: You can look up national reimbursement rates for specific procedures on the Medicare Web site at www.cms.hhs.gov/PFSlookup. Many individual Medicare carriers have similar Web tools.

For example, TrailBlazers fee schedule search tool (www.trailblazerhealth.com/Tools) shows the participating fee, the non-participating fee, and the limiting fee for both facility and non-facility visits, as well as the breakdown for modifiers 26 (Professional component) and TC (Technical component).