Amerigroup RealSolutions in healthcare	**Reimbursement Policy**

Subject: Medical Recalls		
Effective Date: **11/01/18**	Committee Approval Obtained: **12/15/17**	Section: **Administration**

*****The most current version of the reimbursement policies can be found on our provider website. If you are using a printed version of this policy, please verify the information by going to https://providers.amerigroup.com. Under Quick Tools, select Reimbursement Policies > Medicaid/Medicare. Note: State-specific exemptions may apply. Please refer to the Exemptions section below for specific exemptions based on your state.*****

These policies serve as a guide to assist you in accurate claim submissions and to outline the basis for reimbursement if the service is covered by a member's Amerigroup benefit plan. The determination that a service, procedure, item, etc. is covered under a member's benefit plan is not a determination that you will be reimbursed. Services must meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis as well as to the member's state of residence. You must follow proper billing and submission guidelines. You are required to use industry standard, compliant codes on all claim submissions. Services should be billed with CPT codes, HCPCS codes and/or revenue codes. The codes denote the services and/or procedures performed. The billed code(s) are required to be fully supported in the medical record and/or office notes. Unless otherwise noted within the policy, our policies apply to both participating and nonparticipating providers and facilities.

If appropriate coding/billing guidelines or current reimbursement policies are not followed, Amerigroup may:

- Reject or deny the claim.
- Recover and/or recoup claim payment.

Amerigroup reimbursement policies are developed based on nationally accepted industry standards and coding principles. These policies may be superseded by mandates in provider, state, federal or CMS contracts and/or requirements. System logic or setup may prevent the loading of policies into the claims platforms in the same manner as described; however, Amerigroup strives to minimize these variations.

Amerigroup reserves the right to review and revise our policies periodically when necessary. When there is an update, we will publish the most current policy to this site.

Policy	Amerigroup does not allow reimbursement for repair or replacement of items due to a medical recall unless provider, state, federal or CMS contracts and/or requirements indicate otherwise. The following are applicable items: • Durable medical equipment

	• Supplies • Prosthetics • Orthotics • Drugs/vaccines Amerigroup will allow reimbursement of medically necessary procedures to remove and replace recalled or replaced devices. Amerigroup will not be responsible for the full cost of a replaced device if an inpatient or outpatient facility is receiving a partial or full credit for a device due to recall. Payment will be reduced by the amount of the device credit. Amerigroup will: • Participate and provide any applicable documentation required in any applicable class action lawsuits due to a medical recall. • Supply providers with medical recall information for dissemination to applicable members. In circumstances where Amerigroup has reimbursed the provider for repair or replacement of items, or procedures related to items due to a medical recall, Amerigroup is entitled to recoup or recover fees from the manufacturer and/or distributor as applicable. In circumstances where Amerigroup has reimbursed the provider the full or partial cost of a replaced device and the provider received a full or partial credit for the device, Amerigroup is entitled to recoup or recover fees from the provider. In applicable circumstances, providers should bill the appropriate condition code, value code, modifier and/or diagnosis code to identify a medically recalled item.
Exemptions	• There are no exemptions to this policy.
History	• Review approved 12/15/17: Policy language regarding providers receiving full or partial credit for a device and recoupment added • Biennial review approved 09/28/17 and effective 11/01/18: Policy language regarding procedures related to items due to a recall and manufacturer recoupment added • Review approved 03/14/16 and effective 10/01/16: Policy language regarding reimbursement of medically necessary procedures to remove and replace recalled or replaced devices added; Medicare Advantage exemption removed • Biennial review approved 09/22/14: Medicare Advantage exemption added, effective 04/01/15

	• Review approved 11/07/11 and effective 10/17/06: Background section/policy template updated; Recovery language added • Biennial review approved 08/30/10: Background section/policy template updated • Review approved 10/06/08: Background section/policy template updated • Initial approval and effective date 10/17/06
References and Research Materials	This policy has been developed through consideration of the following: • CMS • State Medicaid • Amerigroup state contracts • Federal Register Vol. 79, No. 134 *Medicare and Medicaid Programs: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs* • Code of Federal Regulations (CFR) Subpart A-Payments §416.179 • U.S. Food and Drug Administration: Medical Device Recalls
Definitions	• **General Reimbursement Policy Definitions**
Related Policies	• Documentation Standards for Episodes of Care • Reimbursement for Items Under Warranty
Related Materials	• None