



Surgical Dressings Medicare Fee for Service Coverage and Documentation Requirements White Paper

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Executive Summary

Medicare provides reimbursement for surgical dressing under the Surgical Dressings Benefit. Many errors reported in Medicare audits are due to claims submitted with incomplete or missing requisite documentation. It is beneficial to understand the coverage indications to ensure “reasonable and necessary” criteria are met and included in the written order consistent with the medical record. This paper summarizes information on surgical dressing coverage and documentation requirements, as well as non-coverage and risk areas.

Background

Surgical dressings are covered under the Medicare Part B DMEPOS coverage benefit when medically necessary. This benefit only provides coverage for primary and secondary surgical dressings used on the skin on specified wound types when a qualifying wound is present. Claims for products that are not able to be used as a primary or secondary dressing on a qualifying wound of the skin or that are composed of materials that do not serve a therapeutic or protective function will be denied as statutorily non-covered, no benefit.

If a physician applies a surgical dressing and the professional service is billed to Medicare, the surgical dressings are considered incident to the professional services of the health care practitioner and are not separately payable. If dressing changes are sent home with the beneficiary, claims for these dressings may be submitted¹.

This paper summarizes information on surgical dressing coverage and documentation requirements and non-coverage/risk areas. In order for a beneficiary’s item(s) to be eligible for reimbursement, all benefit requirements and the reasonable and necessary (R&N) requirements set out in the related Local Coverage Determination must be met. For full details please refer to Surgical Dressings - Local Coverage: Surgical Dressings- Policy Article (A54563), Local Coverage Article: Standard Documentation Requirements for All Claims Submitted to DME MACs (A55426), and Local Coverage Determination (LCD): Surgical Dressings (L33831)².

Coverage

Under the Surgical Dressing Benefit, a qualifying wound is defined as either of the following:

- A wound caused by, or treated by, a surgical procedure; or,
- After debridement of the wound, regardless of the debridement technique.

The surgical procedure or debridement must be performed by a physician or other healthcare professional to the extent permissible under State law. Debridement of a wound may be any type of debridement (e.g. surgical, mechanical, chemical, autolytic, etc). Dressings used for mechanical debridement, to cover chemical debriding agents, or to cover wounds to allow for autolytic debridement are covered although the debridement agents themselves are noncovered under the surgical dressing LCD.

¹ In this situation, the place of service corresponding to the beneficiary's residence should be used.

² A list of complete Regulatory References are located in Appendix B.

Examples of wound care items which are non-covered under the surgical dressing benefit because they do not meet the statutory definition of a dressing are included in Appendix A (not all-inclusive).

The Surgical Dressing Benefit provides coverage indications by dressing type based on exudate level and wound thickness. Advanced dressing categories are summarized below:

Dressing Category ³	Exudate				Thickness		Frequency of Change
	None	Low	Moderate	Heavy	Partial	Full	
Hydrogel Dressing (A6231-A6233, A6242-A6248) (Gel, Sheets, Impregnated Gauze)	+	+				+	Covers w/out adhesive or fillers: up to 1x/day Covers with adhesive: up to 3x/week
Collagen Dressing Or Wound Filler (A6010, A6011, A6021-A6024) (Gel, Sheets, Powder)*		+	+			+	Up to 1/day; collagen dressings may stay in place up to 7 days based on manufacturer guidelines
Alginate Or Other Fiber Gelling Dressing (A6196-A6199) (alginate, hydrofiber, hydroconductive, super absorbent dressings, etc)			+	+		+	Up to 1/day
Transparent Film (A6257-A6259)	+	+			+		Up to 3x/week
Hydrocolloid Dressings (A6234-A6241)		+	+		+	+	Up to 3x/week
Composite Dressings (A6203-A6205)			+	+	+	+	Up to 3x/week
Specialty Absorptive Dressing (A6251-A6256)			+	+		+	W/out adhesive border: up to 1x/day With adhesive: up to every other day
Foam Dressing Or Wound Filler (A6209-A6215)			+	+		+	Primary dressing: up to 3x/week, Secondary dressing for highly exudative: up to 3x/week; Foam fillers: up to 1x/day

³ Dressings containing multiple components are classified based upon the clinically predominant component.

* Collagen Dressings may also be used for wounds that have stalled or have not progress towards a healing goal.

Note: Partial Thickness is associated with Stage 1 and 2 wounds, loss of skin with exposed dermis. Wound bed is viable, pink or red, moist, and may also present as an intact or ruptured serum-filled blister. Adipose (fat) is **not** visible and deeper tissues are **not** visible. Granulation tissue, slough, eschar, undermining and/or tunneling are **not** present.

Full Thickness is associated with Stage 3 and 4 wounds, loss of skin and/or tissue, in which adipose (fat) is visible and granulation tissue and epibole (rolled wound edges) are often present with exposed or directly palpable fascia, muscle, tendon, ligament, cartilage, or bone in the ulcer. Slough and/or eschar may be visible. Depth varies by anatomical location; undermining and/or tunneling may occur.

Clinical Situations where dressings are noncovered under the Surgical Dressings benefit (not all inclusive)

- Drainage from a cutaneous fistula which has not been caused by or treated by a surgical procedure
- A Stage I pressure injury
- Grade 0 Diabetic Foot Ulcers
- A first degree burn
- Wounds caused by trauma which do not require surgical closure or debridement - e.g., skin tear or abrasion
- A venipuncture or arterial puncture site (e.g., blood sample) other than the site of an indwelling catheter or needle

Dressing Size Selection

Dressings should be selected based on the size of the wound. For wound covers, the pad size is usually about 2 inches greater than the dimensions of the wound. For example, a 2 in. x 2 in. wound requires a 4 in. x 4 in. pad size.

Primary vs Secondary Dressings

Primary Dressings are considered therapeutic or protective coverings that are applied **directly** to wounds or lesions either on the skin or caused by an opening to the skin. Secondary dressings are materials that serve a therapeutic or protective function **and** that are needed to secure a primary dressing. Items such as adhesive tape, bandages, and disposable compression material are examples of secondary dressings. Some items, such as transparent film, may be used as a primary or secondary dressing.

Reasonable Frequency of Use

Surgical dressings may be used as primary or secondary dressings. The product in contact with the wound determines the change frequency. It is not reasonable and necessary to use a combination of products with differing change intervals; therefore, it is important to know the change frequency guidelines for each surgical dressing category. It is considered not reasonable and necessary to use a secondary dressing with a weekly change frequency over a primary dressing with a daily change interval. Such claims will be denied as not reasonable and necessary.

Additional Guidance:

- When a wound cover with an adhesive border is being used, no other dressing is needed on top of it and additional tape is not required. Reasons for use of additional tape must be well documented.

- Use of more than one type of wound filler or more than one type of wound cover in a single wound is not reasonable and necessary. The exception is a primary dressing composed of: (1) an alginate or other fiber gelling dressing; or, (2) hydrogel impregnated gauze dressing. Either of these might need an additional wound cover.
- It is not appropriate to use combinations of a hydrating dressing on the same wound at the same time as an absorptive dressing (e.g., hydrogel and alginate).
- It is not reasonable and necessary to use a secondary dressing with primary dressings that contain an impervious backing layer with or without an adhesive border.

Supplier Record Documentation Requirements

A Standard Written Order (SWO) (if applicable) must be received by the supplier before a claim is submitted. If the supplier bills for an item without first receiving a completed SWO, the claim shall be denied as not reasonable and necessary. A dispensing order may be verbal or written.

The dispensing order must contain:

- Description of the item
- Beneficiary's name
- Prescribing physician/practitioner's name
- Date of the order
- Prescribing physician/practitioner's signature (if a written order) or supplier signature (if verbal order)

Standard written orders should also include:

- Beneficiary's name or Medicare Beneficiary Identifier (MBI)
- Order Date
- General description of the item
 - The description can be a general description, a HCPCS code, a HCPCS code narrative, or a brand name/model number
- Quantity to be dispensed
- Treating Practitioner Name or National Provider Identifier (NPI)
- Treating practitioner's signature

For Refills, the Supplier Documentation should also include **Continued Need** and **Continued Use**.

- Continued Need
 - Patient's wound is still active/open
 - Patient is still receiving treatment from prescribing physician (seen in last 30 days)
- Continued Use
 - Patient is still using the products prescribed on the underlying dispensing/detailed written order
 - Remaining quantity of product the patient currently has on hand from previous order

Medical Record Documentation

All information on an order must be corroborated by the medical record. The Physician/Practitioner's Medical Record should include the following:

1. Qualifying Wound Requirements - Debridement/Surgically created wound, without exclusions
2. The type of each wound (e.g., surgical wound, pressure ulcer, burn, etc.)
3. Wound(s) location
4. Type(s) and size(s) of Dressing(s), per wound
5. Frequency of Change and number/amount to be used at one time, per dressing (i.e. treatment protocols)
6. Documentation defining which dressings are Primary/Secondary dressings
7. Information defining the number of surgical/debrided wounds being treated with a dressing (i.e. linking dressing use to specific wound(s))
8. Wound size (length x width) and depth
9. Amount of drainage
10. Staging/Grading/Status of the wound, establishing "full or partial thickness" dressing requirements
11. Expected Duration of need
12. Any other relevant wound status information

All of the Medical Record elements must be documented and updated by the treating physician (or their designee) on a monthly basis in order for the medical record to establish continued need and use. Evaluation is expected on a weekly basis for beneficiaries in a nursing facility or for beneficiaries with heavily draining or infected wounds.

Common Risk Areas

The dispensing/standard written order must match and be justified by the medical record. Commonly, the medical records do not include certain elements such as Wound thickness/stage/grade, type of debridement (particularly autolytic), exudate level (aligned with what is written on the order), and instructions for the patients in home dressing regimen (which is primary/secondary, frequency of change, etc).

Other risk areas to be aware of include:

- Same diagnosis listed on several patient's claims
- The product ordered and provided does not align with HCPCS code billed
- Proof of Delivery (POD) not on file
- Beneficiary Refill elements not documented prior to dispensing

Appendix A: Wound Care Items Not Covered Under Surgical Dressing Benefit

- Skin sealants or barriers
- Wound cleansers or irrigating solutions
- Solutions used to moisten gauze (e.g., saline)
- Silicone gel sheets
- Topical antiseptics, topical antibiotics
- Enzymatic debriding agents, gauze or other dressings used to cleanse or debride a wound but not left on the wound
- Gauze or other dressings used to cleanse or debride a wound but not left on the wound
- First aid type adhesive bandages
- Any item listed in the latest edition of the Orange Book

- Gradient compression and surgical stockings
- Non-elastic binder for an extremity
- Small adhesive bandages (e.g., Band-Aid or similar product) are not primarily used for the treatment of wounds addressed in the Surgical Dressings policy.

Appendix B: References: Current Guidelines (Medicare) to Qualifying Surgical Dressings for Coverage

- Local Coverage Determination (LCD): Surgical Dressing (L33831)
- A54563 - Surgical Dressing Policy Article
- A55426 - Standard Documentation Requirements for All Claims Submitted to the DME MACs
- Medicare Program Integrity Manual (PIM) or Internet Only Manual (IOM)
 - Most specifically, but not limited to, Chapters 3 and 5
- DME MAC Supplier Manuals