Medicare Billing - Purified Protein Derivative Test (PPD)

If the patient is not symptomatic and has not been exposed to tuberculosis (TB), the PPD test is a *screening service and not payable by Medicare*.

When you are not sure if a service or test will be reimbursed by Medicare remember, all services including testing covered by Medicare plans must follow:

Reasonable & Necessary Guidelines

In the absence of a LCD (Local Coverage Determination), NCD (National Coverage Determination), or CMS Manual Instruction, Reasonable and Necessary guidelines still apply. Section 1862(a)(1)(A) of the SSA (Social Security Act) directs the following:

"No payment may be made under Part A or Part B for any expenses incurred for items or services not reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member."

Therefore, to be considered "reasonable and necessary" the patient's medical record must clearly document all of the following:

- *The item or service is for the diagnosis or treatment, or to improve the functioning of a malformed body member*
- *The item or service is appropriate for the symptoms and diagnosis or treatment of the patient's condition, illness, disease or injury*
- *The item or service is furnished in accordance with current standards of good medical practice*
- *The item or service is not primarily for the convenience of the patient or physician or health care provider*
- *The item or service is the most appropriate supply or level of service that can be safely provided to the patient*
- *The item or service is delivered in the most appropriate setting*
- *The item or service is ordered and/or furnished by qualified personnel*

For any service reported to Medicare, it is expected that the medical record documentation clearly demonstrates that the service meets all of the above criteria. All documentation must be maintained in the patient's medical record and be available to the contractor upon request.

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Coding Question and Answer

Question: Will Medicare pay for a PPD (CPT code 86580) done in our practice, or should we just bill a 99211 with *screening* diagnosis code instead?

Answer: If Medicare is billed using 86580 with a diagnosis code for TB *screening* alone, they will likely deny the claim, stating they don't pay for *screenings*.

Medicare does pay for CPT code 86580 when the patient has had exposure to TB or has had a reaction to a recent TB screening test.

- **Recent exposure to TB:**

  ICD-10-CM code Z11.1 - *Encounter for screening for respiratory tuberculosis* (represents the reason for the encounter)**;**

  - ***code with*** -

  ICD-10-CM code Z20.1 - *Contact with and (suspected) exposure to tuberculosis* (provides a reason for the screening)

- **Reaction to a recent TB test:**

  ICD-10-CM code R76.11 - *Nonspecific reaction to tuberculin skin test without active tuberculosis* (applicable to – Abnormal result of Mantoux test, PPD positive, Tuberculin (skin test) positive or Tuberculin (skin test) reactor.

  - ***can be coded with*** -

  ICD-10-CM code Z11.1 - *Encounter for screening for respiratory tuberculosis*

  Code also any symptoms if present. An examination by a provider may be necessary, in which case an office visit code would be assigned as well.

Question: Should we bill for the PPD administration?

Answer: CPT code 86580 includes administering the skin test so you should not code separately for the administration.

Coding Tidbit:

CPT code 86580 does not include costs for returning to the office to have the PPD test read.

Many patients who do not see a response to the test themselves may never return to the office for a reading, so the cost is not included.

- If the patient does return for a reading, you may code 99211 for the nurse reading.
- If the test is positive, a physician will typically have a face-to-face visit with the patient (99212-99214, office or other outpatient services).