

**Blue Cross Blue Shield of Michigan**  
Medicare Advantage Private Fee-for-Service

Laser-Assisted In-Situ Keratomileusis

January 1, 2008  
Updated October 1, 2008

**LASER-ASSISTED IN-SITU KERATOMILEUSIS**

Laser-assisted in-situ keratomileusis is a procedure that permanently changes the shape of the cornea and is one of several surgical procedures that fall under the generic term of refractive keratoplasty. Refractive keratoplasty includes all surgical procedures on the cornea to improve vision by changing the refractive index of the corneal surface. Specifically, for the LASIK procedure, a knife, called a microkeratome, is used to cut a flap in the cornea. A hinge is left at one end of this flap. The flap is folded back revealing the stroma, the middle section of the cornea. Pulses from a computer-controlled laser vaporize a portion of the stroma and the flap is replaced.

**ORIGINAL MEDICARE**

Laser-assisted in-situ keratomileusis procedures to treat refractive defects are not covered under Original Medicare.

**MEDICARE ADVANTAGE**

Coverage for laser-assisted in-situ keratomileusis is provided to members under select Medicare Advantage private fee-for-service plans. Since Original Medicare does not cover LASIK, the scope of the benefit, reimbursement methodology, maximum allowable payment amounts and member cost-sharing are determined by the group.

**Conditions for Payment**

BCBSM Medicare Advantage private fee-for-service plans use the Centers for Medicare & Medicaid Services deemed provider<sup>1</sup> concept for group specific benefits. The table below specifies payment conditions for LASIK:

<b>Conditions For Payment</b>	
Eligible providers	M.D., D.O, optometrist (post-operative if under agreement), practitioners
Deemed provider	See terms and conditions on <a href="http://bcbsm.com/ma">bcbsm.com/ma</a>
Payable locations	No restrictions
Frequency	
CPT code <sup>2</sup>	S0800
Diagnosis restrictions	No restrictions
Age restrictions	No restrictions

<sup>1</sup> 2008 Terms and conditions

<sup>2</sup> City of Detroit - Option G Benefit grid

**Reimbursement**

The maximum payment amount for the LASIK benefit is available in a separate document, BCBSM [Medicare Advantage - Additional Benefits Fee Schedule](#).

The provider will be paid the lesser of this allowable amount or the provider’s charge, minus the member’s cost-share. This represents payment in full and providers are not allowed to balance bill the member for the difference between the allowed amount and the charge.

**Member Cost-Sharing**

- Deemed providers must agree to collect from the member only the cost-sharing amounts described in the table below. They may not otherwise charge or bill the member.
- If the member elects to receive a noncovered service, he or she is responsible for the entire charge associated with the noncovered service.

The cost-sharing chart below identifies members with LASIK coverage:

Member Cost-Sharing Responsibilities						
Group Name and Number	Annual Deductible		Coinsurance		Out-of-Pocket Maximum	
			Professional Claim			
	2007	2008	2007	2008	2007	2008
City of Detroit Retirees <sup>3</sup> Option G  04436	\$175 Waived	\$0	None		Does not apply	

**Billing Instructions**

1. Bill services on the CMS 1500 (8/05) claim form or the 837 equivalent claim.
2. Use the Medicare Advantage private fee-for-service unique billing requirements.
3. Report CPT/HCPCS codes and diagnosis codes to the highest level of specificity.
4. Report your National Provider Identifier number on all claims.
5. Submit claims to your local BCBS plan.
6. Use electronic billing:
  - a. Michigan providers:

<sup>3</sup> City of Detroit - Option G Benefit grid

- A copy of the BCBSM EDI Professional 837/835 Companion Document is available at:  
[http://www.bcbsm.com/pdf/systems\\_resources\\_prof\\_837\\_835.pdf](http://www.bcbsm.com/pdf/systems_resources_prof_837_835.pdf)

b. Providers outside of Michigan should contact their local BCBS plan.