

CF for each CY may be further adjusted to maintain budget neutrality.

B. Bundled Services

1. Hydration Therapy and Chemotherapy

Hydration therapy intravenous (IV) infusion is billed under CPT codes 90780 (up to 1 hour) and 90781 (each additional hour, up to 8 hours). The saline solution used in hydration therapy IV infusion is billed and paid separately under the appropriate HCFA Common Procedure Coding System (HCPCS) "J" code. Chemotherapy IV infusion is billed under CPT codes 96410 (up to 1 hour), 96412 (each additional hour, up to 8 hours), and 96414 (more than 8 hours). The chemotherapy drug is billed and paid separately under the appropriate HCPCS "J" code.

Hydration therapy IV infusion may be administered at the same time as chemotherapy. In some cases, the saline solution is mixed with the chemotherapy drug. We believe that paying for hydration therapy IV infusion and chemotherapy IV infusion administered at the same time represents duplicate payment. Therefore, we propose not paying separately for CPT codes 90780 and 90781 when billed on the same day as CPT codes 96410, 96412, and 96414. We would continue to pay separately for the saline solution and the chemotherapy drug. This proposal reflects a policy change that is not explicitly addressed in our regulations.

2. Evaluation of Psychiatric Records and Reports and Family Counseling Services

At present, we allow separate payment for the following codes:

- CPT code 90825 (Psychiatric evaluation of hospital records, other psychiatric reports, psychometric and/or projective tests, and other accumulated data for medical diagnostic purposes).
- CPT code 90887 (Interpretation or explanation of results of psychiatric, other medical examinations and procedures, or other accumulated data to family or other responsible persons, or advising them how to assist the patient).

We believe that these activities are generally performed as part of the prework and postwork of other physician services. For example, the work involved in a psychiatric evaluation of records and tests as described by CPT code 90825 is a fundamental element of the prework and postwork of other psychiatric services, such as individual

psychotherapy (CPT codes 90842 through 90844). The interpretation or explanation of the results of medical examinations or procedures as described by CPT code 90887 is also an integral part of the prework and postwork of other physician services. Counseling of the family is part of the postwork of evaluation and management services.

When these types of activities are performed in conjunction with evaluation and management services or with surgical services, payment for them is included in the prework and postwork components of the visit or procedure. The psychiatric evaluation of hospital records and the interpretation or explanation of psychiatric examinations are not significantly different from other types of medical evaluations of records or interpretation of other examinations. With the exception of family counseling services, the RVUs for psychiatric services (CPT codes 90801 and 90835 through 90857) already include the prework and postwork activities described by CPT codes 90825 and 90887. Thus, continuing to allow separate payment for these procedures, in addition to payment for other psychiatric services, results in duplicate payments and is inconsistent with our policy for other services. (We also note that the times associated with the individual medical psychotherapy CPT codes 90842 through 90844 are face-to-face times. While payment for the review and preparation of records is included in the fee schedule payment for these codes, the time spent in those activities should not be counted for purposes of determining and reporting the level of the individual psychotherapy code.)

With respect to family counseling services, Medicare has a longstanding policy of covering these services if they are needed to assess the capability of the family in, and to assist family members in, managing the patient. The service must relate primarily to the management of the beneficiary's problems and not to the treatment of problems of the family member. Counseling principally concerned with the effects of the beneficiary's condition on the family member is not considered part of the physician's personal service to the beneficiary; thus, it is not covered under Medicare. While we have always considered counseling activities to be included in the evaluation and management services, such as office and hospital visits that are described by CPT codes 99201 through 99353, we have not had the same policy for the psychotherapy codes. We believe it is appropriate to bundle covered family

counseling procedures into the other psychiatric codes so that our policy is consistent with our policy on services furnished by other physician specialties.

Therefore, we propose to change the status indicator for CPT codes 90825 and 90887 to "B" to show that payment for these codes is bundled into the payment for another service, and separate payment would not be allowed. We would implement this change in a budget-neutral manner by redistributing the RVUs for CPT codes 90825 and 90887 across the following psychiatric codes: 90801, 90820, 90835, 90842 through 90847, and 90853 through 90857. This proposal reflects a policy change that is not explicitly addressed in our regulations.

3. Fitting of Spectacles

The fitting, repair, and adjustment of prosthetic devices (including spectacles) are covered under section 1861(s)(8) of the Act. Services under section 1861(s)(8) are not included in the definition of physician services as defined in section 1848(j)(3) of the Act and should not be payable under the physician fee schedule. Nevertheless, we inadvertently established payment amounts for the fitting of spectacles and low vision systems under the physician fee schedule. Payment for the fitting of spectacles is included in the payment for the spectacles in the same way that payment for other prosthetic fitting services is included in the payment for the prosthetic device.

Therefore, we propose to cease paying separately for the fitting of spectacles and low vision systems to end this duplicate payment for the fitting service. We propose to assign a "B" status indicator for the following CPT codes to indicate that the services are covered under Medicare, but payment for them is bundled into the payment for the spectacles:

CPT code	Description
92352	Fitting of spectacle prosthesis for aphakia; monofocal.
92353	Fitting of spectacle prosthesis for aphakia; multifocal.
92354	Fitting of spectacle mounted low vision aid; single element system.
92355	Fitting of spectacle mounted low vision aid; telescopic or other compound lens system.
92358	Prosthesis service for aphakia, temporary (disposable or loan, including materials).
92371	Repair and refitting spectacles; spectacle prostheses for aphakia.

This proposed change clarifies both the coverage and payment policies. The