Disclaimer: The materials and information cited here are for informational purposes only and are provided to assist in obtaining coverage and reimbursement for health care services. However, there can be no guarantee or assurances that it will not become outdated, without the notice of Medtronic, Inc., or that government or other payers may not differ with the guidance contained herein. The responsibility for coding correctly lies with the health care provider ultimately, and we urge you to consult with your coding advisors and payers to resolve any billing questions that you may have. All products should be used according to their labeling.

**PHYSICIAN CODING/REIMBURSEMENT**

Physicians use Current Procedural Terminology (CPT®) codes to report all of their services. These codes are uniformly accepted by all payers. Medicare and most indemnity insurers use a fee schedule to pay physicians for their professional services, assigning a payment amount to each CPT code. Under Medicare’s Resource-Based Relative Value Scale (RBRVS) methodology for physician payment, each CPT code is assigned a point value, known as the Relative Value Unit (RVU), which is then multiplied by a conversion factor to determine the physician payment. Many other payers use Medicare’s RBRVS fee schedule or a variation on it. Industrial or work-related injury cases are usually reimbursed according to the official fee schedule for each state. Use of CPT codes is governed by various coding guidelines published by the American Medical Association (AMA) and other major sources such as physician specialty societies. In addition, the National Correct Coding Initiative (NCCI), a set of CPT coding edits created and maintained by the Centers for Medicare and Medicaid Services (CMS), has become a national standard. The Pivox Oblique Lateral Spinal System consists of two components that may be implanted by various techniques, either separately or in combination. The Pivox Oblique Lateral Spinal System Interbody Cage is intended for use with supplemental fixation systems cleared for use in the lumbar spine. Additionally, the Pivox Oblique Lateral Spinal System can be used to provide anterior column support in patients diagnosed with degenerative scoliosis as an adjunct to pedicle screw fixation.

The following CPT code may be appropriate for the implantation of the Pivox Oblique Lateral Spinal System interbody cage:

<table>
<thead>
<tr>
<th>MS-DRG</th>
<th>Description</th>
<th>Relative Weight</th>
<th>2017 Medicare Payment*</th>
</tr>
</thead>
<tbody>
<tr>
<td>+22853</td>
<td>Insertion of interbody biomechanical device(s) (eg. synthetic cage, mesh) with integral anterior instrumentation for device anchoring (eg, screws, flanges), when performed, to intervertebral disc space in conjunction with interbody arthrodesis, each interspace (List separately in addition to code for primary procedure)</td>
<td>7.64</td>
<td>$274.19</td>
</tr>
</tbody>
</table>

In addition, the following instrumentation CPT code may be appropriate for the implantation of the Pivox Oblique Lateral Spinal System plates and bone screws:

<table>
<thead>
<tr>
<th>MS-DRG</th>
<th>Description</th>
<th>Relative Weight</th>
<th>2017 Medicare Payment*</th>
</tr>
</thead>
<tbody>
<tr>
<td>+22845</td>
<td>Anterior instrumentation; 2 to 3 vertebral segments</td>
<td>21.42</td>
<td>$768.74</td>
</tr>
</tbody>
</table>


**Coding of Anterior Instrumentation**

A separate anterior instrumentation CPT code is not recommended for the insertion of interbody devices with integral anterior instrumentation. However, guidance indicates that "Additional fixation not integral to the device, other provision for arthrodesis, or bone grafting are coordinated with the placement of the biomechanical device and are coded separately." -AMA CPT Changes 2017. Therefore, there may be circumstances where additional non-integral fixation is coded separately.

Since the interbody device and anterior plate of the Pivox Oblique Lateral Spinal System can be implanted separately and/or used independently of each other, the above coding guidance implies that both codes may be reported when using this system. The Pivox Oblique Lateral Spinal System interbody cages are intended to be used with supplemental fixation instrumentation, which has been cleared for use in the lumbar spine.

**FACILITY REIMBURSEMENT**

**Hospital Inpatient Reimbursement**

Medicare uses the Medicare Severity-DRG (MS-DRG) payment methodology to reimburse hospitals for inpatient services. Each inpatient stay is assigned to one payment group, based on the ICD-10-CM and ICD-10-PCS codes assigned to the major diagnoses and procedures. Each DRG group has a flat payment rate which bundles the reimbursement for all services and devices the patient received during the inpatient stay. Other payers may also use DRGs or a variation on them, but many payers pay the hospital on a contractual basis (i.e., case rate or per diem rate) that has been negotiated between the hospital and the payer.

**ICD-10-PCS Procedure Codes**

The Pivox Oblique Lateral Spinal System is indicated for use in an OLIF25™ Procedure or a DLIF Procedure. In the ICD-10-PCS coding system insertion of interbody devices is included in the 6th character device value of the primary procedure code, and not coded separately. In addition, spinal instrumentation (e.g. rods, plates, screws) is included in the primary fusion code and not reported separately, so there is no code for use of the anterior plate component of the Pivox Oblique Lateral Spinal System.

**Diagnosis-Related Groups (DRGs)**

The Pivox Oblique Lateral Spinal System is used as an adjunct to fusion of the lumbar spine. Lumbar spinal fusions are typically grouped to the following DRGs:

**Medicare Severity-Diagnosis Related Group (MS-DRG) Assignment**

<table>
<thead>
<tr>
<th>MS-DRG</th>
<th>Description</th>
<th>Relative Weight</th>
<th>2017 Medicare Payment*</th>
</tr>
</thead>
<tbody>
<tr>
<td>028</td>
<td>Spinal Procedures with MCC</td>
<td>5.5439</td>
<td>$33,058</td>
</tr>
<tr>
<td>029</td>
<td>Spinal Procedures with CC or Spinal Neurostimulator</td>
<td>3.1882</td>
<td>$19,011</td>
</tr>
</tbody>
</table>
### Hospital Outpatient Reimbursement

Hospitals use the Healthcare Common Procedure Coding System (HCPCS) to report outpatient services. Under Medicare’s methodology for hospital outpatient payment, each HCPCS code is assigned to one Ambulatory Payment Classification (APC). Each APC has a relative weight which is multiplied by a conversion factor to determine the hospital payment. An APC and a payment amount are assigned to each significant service. Although some services are bundled and not separately payable, total payment to the hospital is the sum of the APC amounts for the services provided during the outpatient encounter.

#### Insertion of interbody biomechanical device(s) (e.g., synthetic cage, mesh) with integral anterior instrumentation for device anchoring (e.g., screws, flanges), when performed, to intervertebral disc space in conjunction with interbody arthrodesis, each interspace (List separately in addition to code for primary procedure)

<table>
<thead>
<tr>
<th>MS-DRG</th>
<th>APC</th>
<th>Status Indicator</th>
<th>CY ‘17 Medicare Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>+22853</td>
<td></td>
<td>N</td>
<td>N/A</td>
</tr>
</tbody>
</table>

#### Anterior instrumentation; 2 to 3 vertebral segments

<table>
<thead>
<tr>
<th>MS-DRG</th>
<th>APC</th>
<th>Status Indicator</th>
<th>CY ‘17 Medicare Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>+22845</td>
<td></td>
<td>N</td>
<td>N/A</td>
</tr>
</tbody>
</table>

### Status Indicators:

Each HCPCS code in the Outpatient Prospective Payment System (OPPS) is assigned a status indicator to signify certain APC rules. The following status indicators are represented in these procedures:

- **N**: Paid under OPPS; payment is packaged into payment for other services. Therefore, there is no separate APC payment.
CODING AND REIMBURSEMENT ASSISTANCE

SpineLine™

Provides coding, billing and reimbursement assistance for procedures performed using Medtronic products.

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E-mail: (Physician) spinalcodingmd@medtronic.com
(Hospital) spinalcodinghospital@medtronic.com
Internet: www.medtronicspinal.com/spineline

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(800) 876-5133
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For more information visit www.myspinetools.com

For additional reimbursement information contact the SpineLine™ Coding and Reimbursement Support Line at (877) 690-5353.

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