

ASSIGNMENT OF J1 STATUS INDICATOR TO CPT 68841 FOR CY 2025

**ADVISORY PANEL ON HOSPITAL
OUTPATIENT PAYMENT**

AUGUST 26-27, 2024

RECOMMENDATION REQUESTED

- We have a single recommendation that we ask the Panel to make, which the Panel recommended to the Centers for Medicare & Medicaid Services (CMS) for calendar year (CY) 2024:

The Panel recommends that CMS assign CPT code 68841 a status indicator of J1



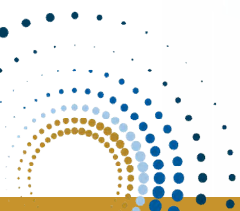
CPT CODE 68841

- Current Procedural Terminology (CPT®)* code 68841 (Insertion of drug-eluting implant, including punctal dilation when performed, into lacrimal canaliculus, each)
- Used to report insertion of Dextenza®, which is approved for the treatment of ocular inflammation and pain following ophthalmic surgery and for the treatment of ocular itching associated with allergic conjunctivitis
- Procedure may be done with another ophthalmic procedure or not
- Predominantly done in the ambulatory surgical center (ASC) setting

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DESCRIPTION OF THE ISSUE

- CMS proposes to assign CPT code 68841 into Ambulatory Payment Classification (APC) 5503 (Level 3, Extraocular, Repair, and Plastic Eye Procedures) with a Q1 status indicator
- The proposed Q1 status indicator leads to no payment to ASCs for furnishing the service, where more than 80% of these procedures are performed
- Assignment of a Q1 status indicator treats 68841 differently than other, similar procedures involving delivery of a medication into the eye that have a J1 status indicator
 - ✓ 66020 (Injection, anterior chamber of eye (separate procedure); air or liquid)
 - ✓ 66030 (Injection, anterior chamber of eye (separate procedure); medication)
 - ✓ 0699T (Injection, posterior chamber of eye, medication)



DESCRIPTION OF THE ISSUE (CONT'D)

- In the CY 2024 OPPS Final Rule, CMS said that it was finalizing a Q1 status indicator for 68841 because “CPT code 68841 is used independently only about 2 percent of the time” (88 Fed. Reg. 81,540, 81,652 (Nov. 22, 2023)).
- However, assignment of a Q1 status indicator treats 68841 differently than other procedures with lower independent usage percentages that have OPPS status indicators that translate into separate ASC payment:

CPT Code	OPPS Proposed Status Indicator*	Single Frequency Claims*	Total Frequency Claims*	Percentage of Independent Usage
68841	Q1	93	4,059	2.29%
64415	T	466	48,016	0.97%
64416	T	38	4,119	0.92%
64446	T	7	751	0.93%
64447	T	690	65,626	1.05%

*Source: 2025 NPRM CPT Cost Statistics File

RECOMMENDATION AND RATIONALE

- ***The Panel should recommend that CMS assign CPT code 68841 a status indicator of J1 to ensure ASC payment***
 - ✓ Proposed APC assignment is appropriate
 - ✓ Q1 status indicator leads to no payment in the ASC causing a significant access issue because this is the primary setting of care for the service and there are significant facility resources expended
 - ✓ Would align payment policy for 68841 with:
 - That of other similar procedures delivering medication into the eye that are assigned J1 status indicators and ASC payment rates
 - Other procedures that have status indicators resulting in separate ASC payment and which are frequently performed with another surgical procedure
 - ✓ CPT code 68841 is currently the only code proposed to be assigned to APC 5503 that does not have a J1 status indicator

