



**EYE BANK
ASSOCIATION
of AMERICA**

March 18, 2009

Dear Corneal Surgeon:

On behalf of the Minnesota Lions Eye Bank and the Eye Bank Association of America, we are sending you this important information to keep you abreast of reimbursement issues associated with **Endothelial Keratoplasty (EK)** codes published for implementation in 2009.

As you know, **CPT codes 65756 (EK)** and **65757** (backbench preparation of tissue) were effective as of January 1, 2009.

- Surgeons who use an eye bank to supply pre-cut tissue use the code 65756
- Surgeons who cut tissue themselves in an operating room setting should use both 65756 and 65757.

Former “Reasonable Cost” Invoice

The marked increase in EK numbers over the last two years has resulted in re-evaluation by third party payers regarding their cost of corneal tissue. In the past, following the CMS Medicare model, corneal tissue was reimbursed at 100% of the original eye bank invoice, which is considered a “reasonable cost” basis.

Surgeon Now Needs to Negotiate for Full Reimbursement

There is a need to carefully negotiate the contract for corneal tissue with the ASC and / or hospital in which you operate in order to ensure the continuation of full corneal reimbursement.

- Less than full reimbursement could adversely affect your access to tissue and the high level of quality which you have come to expect
- Full reimbursement will eliminate any potential need for either the ASC or the hospital to subsidize this cost.
- Eye banks, which are 501c3s - charitable organizations - are not financially structured to underwrite the cost of donor tissue.
- Corneal tissue is a service, provided by a not for profit organization, heavily regulated by the FDA, with intensive testing, storage and labor costs due to the unpredictability of tissue availability (and suitability); it is not a commodity or a “product.”

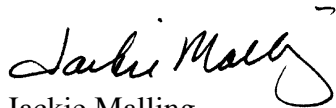
The Minnesota Lions Eye Bank is ready to work with you as a resource partner but cannot be party to your contracts. Important points to remember when negotiating contracts with the hospital and ASC are:

- Ensure corneal tissue is a carve out; and not bundled; this follows the CMS model of 100% of “reasonable cost.”

- Reimbursement fee must continue to be 100% of original eye bank invoice; this is non-negotiable.
- Private insurance should, at a minimum, meet Medicare reimbursement levels for tissue.
- Corneal tissue fees must not be capped at a specific dollar amount.
- Remember that local tissue needs generally receive priority distribution.
- Support your local eye bank because service is based on local factors, including tissue quality, need and community support.
- Eye banks have an enviable 50+ year history of providing tissue safe for transplant – don't let insurers take that for granted!

Please contact Jackie Malling at the Minnesota Lions Eye Bank for more information. (vanho004@umn.edu or 612-624-6446) Together, you can work together to ensure a continued supply of high quality corneal tissue safe for transplantation, education and research. We appreciate your commitment to the restoration of sight. ***Your attention to this reimbursement issue is crucial.***

Sincerely,



Jackie Malling
Minnesota Lions Eye Bank



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Eye Bank Association of America



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EBAA Executive Committee,
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