



## **Medicare Advantage Reimbursement for Corneal Tissue: Accountability Shouldn't Rest on Eye Banks' Shoulders**

Eye banks report to EBAA that corneal surgeons and ophthalmic surgery centers increasingly expect them to reduce their tissue placement fees when Medicare Advantage (MA) plans reimburse less than expected for transplant procedures. In some cases, payment has been withheld and suggestions made that the surgeon or facility will seek other sources of ocular tissue if their current eye bank is unwilling to discount its tissue.

Eye banks play an essential role in facilitating corneal transplantation procedures by procuring, processing, and distributing corneal tissue to surgeons. In recognition of this unique role, CMS declared that ocular tissue for transplant shall be separately reimbursed at the eye bank's invoice fee<sup>1</sup> when submitted using HCPCS code V2785.

MA plans are private health insurance options offered as an alternative to traditional Medicare coverage; in 2023, 51% of the eligible Medicare population were enrolled in MA plans<sup>2</sup>. While they offer additional benefits and cost-sharing options, their reimbursement structure can pose challenges for healthcare providers. In particular, these plans can negotiate reimbursement levels directly with surgeons and facilities, sometimes at rates that are insufficient to cover the cost of all aspects of the transplant procedure.

While EBAA is sympathetic with surgeons and ASCs that have signed MA contracts with disadvantageous terms, we believe that it is unreasonable to expect eye banks to sustain losses on corneal tissue as a result. Doing so creates operational and financial strains for even the largest and most efficient eye banks.

We hold this position because:

- MA reimbursement is a private contract between the surgeon or facility and the MA plan; eye banks are not parties to these contracts and often are not consulted when these contracts are negotiated.
- Corneal tissue is just one component of MA plan reimbursement for a cornea transplant procedure.
- Eye banks' tissue distribution fees represent their direct costs to recover, process, and deliver corneal tissue and to maintain their operations. Eye banks are prohibited, both legally and morally, from marking up their tissue fees to create a cushion against which they can provide discounts.
- EBAA-member eye banks are 501c3 non-profit organizations; any operational surpluses they generate are reinvested in their mission to restore sight.

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<sup>1</sup> [CMS-1772-FC](#)

<sup>2</sup> Kaiser Family Foundation, <https://www.kff.org/medicare/issue-brief/medicare-advantage-in-2023-enrollment-update-and-key-trends>, August 9, 2023

- EBAA-member banks provide, in aggregate, thousands of gratis or reduced-fee tissues annually for indigent patients and hardship cases, often at the direct request of their surgeons.

EBAA-member eye banks are happy to work with surgeons and ASCs to support their efforts to secure appropriate reimbursement. Please speak with your eye bank before signing any contracts to ensure that the proposed reimbursement fee is sufficient to cover the cost of tissue, both now and in the future, keeping in mind that advanced processing and handling requests require more work by the eye bank and will result in higher tissue fees.

Eye banks can provide educational resources on coding guidelines specific to corneal transplantation procedures under Medicare Advantage plans; EBAA offers tools that member eye banks can share with you. This collaboration can help streamline billing processes between eye banks and healthcare providers, reducing discrepancies and potential reimbursement challenges.

EBAA and its member eye banks stand ready to help corneal surgeons and ophthalmic surgery centers receive appropriate reimbursement for the tissue used in sight-restoring transplant procedures. However, because eye banks are not parties to MA contracts, disparities between anticipated and actual payments are outside eye banks' control and therefore should not be their responsibility.

To discuss this matter at greater length, please contact **(eye bank's point of contact)** or [Kevin Corcoran](#), EBAA's CEO.