

# 2026 Medicare Skin Substitute Update

LA County Podiatric Medical Association  
Present Treasure Hunt Conference

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# Learning Objectives

- Identify new programs CMS is planning
- Analyze the MACs expectations regarding documentation
- Gain knowledge of using LCD language to protect our documentation
- Understand the different audits and appeals
- Introduce new services that can ethically enhance office income
- Understand the 2026 changes in rules, regulations, and coding

# Why Medicare Scrutinizes

- High cost per application
- Serial treatments
- History of overutilization
- Multiple fraud investigations

# Noridian Jurisdictions

- California
- Nevada
- Arizona
- Washington
- Oregon
- Idaho
- Utah
- Montana
- Alaska
- Hawaii
- Guam
- Wyoming
- North Dakota
- South Dakota

# Underlying Principle

- To have coverage, services must be 'reasonable and necessary' under Medicare rules

# Standard of Care

- At least 4 weeks of conservative therapy including debridements, offloading, infection control, and wound care

# Requirements for DFUs

- Offloading
- Glycemic control
- Infection management
- Documented failure of standard care
- Compliance

# Requirements for VLUs

- Compression therapy
- Vascular assessment
- Wound care
- Infection control

# Contraindications

- Untreated infection
- Necrotic tissue
- Poor perfusion
- Malignancy in wound
- **\*Poor glycemic control (DFUs)\***
- **\*Medical non-compliance\***

# Documentation Requirements

- Precise wound measurements (L x W x D) and location
- Wound characteristics
- Treatment history
- Photographs
- Offloading (DFUs/Pis) / compression (VLUs)
- Moisture balance
- Product name (w/serial), amount used, and fixation method
- Dressing
- Treatment Plan

# ICD Coding

- Underlying condition first
  - Unless condition is in the wound code
  - E11.621 plus L97.xxx site-specific ulcer codes.
  - I87.2 plus L97.xxx site-specific ulcer location codes.
  - L89.xxx codes
  - I87.3xx

# CPT Coding

- 15271-15278
- Product code
- **NO WASTAGE – appropriate amount of product ONLY**
  - No modifiers JW/JZ needed

# Modifiers

- 25 (E/M)
- 59 or XS (distinct procedure)
- RT/LT for laterality
- KX for medical necessity

# KX Modifier

- Starting on 5<sup>th</sup> application
- For KX to be valid, documentation must show
  - Reduction in wound size OR
  - Improvement in tissue quality OR
  - Increased granulation/epithelialization
- If the wound is **static or larger**, continued grafts are considered NOT medically necessary.

# Audit Risk Areas

- **YOU** did not perform 30 days of standard wound care
- Excessive graft use
- Repeated applications without healing
- Poor documentation

# Compliance Potential Red Flags

- Identical notes
- Very large graft volumes
- Using same product on every patient
  - comfort

# AKS Concerns

- Gifts
- Rebates
- Commissions from manufacturers
- Product incentives

# Best Practice Workflow

- Assess wound →
- Conservative care →
- Document →
- Apply graft →
- Monitor weekly

# Future Medicare Trends

- Potential new Noridian LCD (and other MACs)
- Potential new NCD
- Tighter utilization monitoring
- Reimbursement changes

# Part 2: Audits and Documentation Update