Changes to the Healthcare Common Procedure Coding System (HCPCS) Coding Process for 2019

HCPCS Level II is the standard code set for items and services used primarily to identify products, supplies, and services not included in the Current Procedural Terminology (CPT) codes (e.g., Drugs, Durable Medical Equipment Devices, prosthetics, orthotics). Because Medicare and other insurers cover a variety of services, supplies, and equipment that are not identified by CPT codes, the Level II HCPCS codes were established for use in submitting claims for these items. Level II codes are maintained and distributed by the Centers for Medicare & Medicaid Services (CMS), taking into consideration input from stakeholders.

Recently, CMS has heard from a number of stakeholders regarding the public HCPCS application process. CMS is interested in adopting changes to the HCPCS process that facilitate the adoption of new technologies while balancing the burden on payers and providers and considers program needs.

As CMS continues to examine this program area, we are making the following changes to the HCPCS coding process for the calendar year 2019 cycle:

1. Clarifying and updating web-site guidance associated with the application process to promote transparency and clarity.

2. Advancing a new electronic application process and initiating the first public beta test of this process with a limited number of stakeholders for the 2019 cycle.

3. Eliminating the three percent (of market) volume criteria as a coding criteria for non-drug items. CMS will continue to collect marketing data on the application, to support the establishment of a new code.

4. Providing more detailed responses to applications in order to provide for greater transparency and to assist the public in understanding CMS' decision making.

5. Providing for greater transparency and public input by providing for remote participation in HCPCS Public Meetings.

6. Increasing transparency by including an archive of past years' files/decisions on the CMS.gov HCPCS website (instead of our current process of replacing the past year when a new one is available). This will provide a research archive for potential applicants and stakeholders.