

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 10366	Date: September 23, 2020
	Change Request 11963

Transmittal 10348, dated September 11, 2020, is being rescinded and replaced by Transmittal 10366, dated, September 23, 2020 to revise HCPCS code C9066 in table 2 of the attachment. All other information remains the same.

SUBJECT: October 2020 Update of the Ambulatory Surgical Center (ASC) Payment System

I. SUMMARY OF CHANGES: This recurring update notification describes changes to and billing instructions for various payment policies implemented in the October 2020 ASC payment system update. As appropriate, this notification also includes updates to the Healthcare Common Procedure Coding System (HCPCS).

EFFECTIVE DATE: October 1, 2020

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: October 5, 2020

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Recurring Update Notification

Attachment - Recurring Update Notification

Pub. 100-04	Transmittal: 10366	Date: September 23, 2020	Change Request: 11963
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SUBJECT: October 2020 Update of the Ambulatory Surgical Center (ASC) Payment System

EFFECTIVE DATE: October 1, 2020

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: October 5, 2020

I. GENERAL INFORMATION

A. Background: This recurring update notification describes changes to and billing instructions for various payment policies implemented in the October 2020 ASC payment system update. As appropriate, this notification also includes updates to the Healthcare Common Procedure Coding System (HCPCS).

Included in this transmittal are Calendar Year (CY) 2020 payment rates for separately payable procedures/services, drugs and biologicals, including descriptors for newly created Current Procedural Terminology (CPT) and Level II HCPCS codes. An October 2020 Ambulatory Surgical Center Fee Schedule (ASCFS) File, an October 2020 Ambulatory Surgical Center Payment Indicator (ASC PI) File, and an October 2020 Ambulatory Surgical Center Drug File will be issued with this transmittal.

B. Policy: 1. New HCPCS Codes Effective October 1, 2020

For the October 2020 Update, CMS is establishing a new code to describe the technology associated with vacuum aspiration of residual kidney stone debris after lithotripsy. CMS is establishing HCPCS code C9761 (Cystourethroscopy, with ureteroscopy and/or pyeloscopy, with lithotripsy (ureteral catheterization is included) and vacuum aspiration of the kidney, collecting system and urethra if applicable) to describe procedures utilizing calculus aspiration.

For the October 2020 update, CMS is also establishing a new code to describe the technology associated with temporary prostatic implants with anchors and incisional struts. CMS is establishing HCPCS code C9769 to describe cystourethroscopy with the insertion of a temporary prostatic implant or stent with anchor and incisional struts.

Table 1, attachment A, lists the long descriptors, short descriptors and ASC PIs for the HCPCS codes. These codes, along with the short descriptors, ASC PIs, and payment rates are also listed in the October 2020 quarterly update of the ASC addenda. (see Attachment A: Policy Section Tables).

2. Drugs and Biologicals

a. New CY 2020 HCPCS Codes and Dosage Descriptors for Certain Drugs and Biologicals Receiving OPPS Pass-Through Status Effective October 1, 2020

Effective October 1, 2020, eight new HCPCS codes have been created for reporting drugs and biologicals in the ASC setting, where there have not previously been specific codes available. The HCPCS codes, the long and short descriptors, and ASCPI are listed in Table 2 (see Attachment A: Policy Section Tables).

b. Existing HCPCS Codes for Certain Drugs and Biologicals That Will Start to Receive Pass-Through Status Effective October 1, 2020

There are three (3) existing HCPCS codes for certain drugs and biologicals in the OPPS setting that will start to receive OPPS pass-through status beginning on October 1, 2020. Payment for these codes is also implemented in the ASC setting. These HCPCS codes are listed in Table 3 (see Attachment A: Policy Section Tables).

c. Drugs and Biologicals with Retroactive ASC PI change for the Period of July 1, 2020 through September 30, 2020

The ASC PI for HCPCS code Q5121 (Injection, infliximab-axxq, biosimilar, (avsola), 10 mg) for the period of July 1, 2020 through September 30, 2020 will be changed retroactively from ASC PI = "Y5" to ASC PI = "K2." This drug/biological is listed in Table 4 (see Attachment A: Policy Section Tables).

Suppliers who think they may have received an incorrect payment for drugs and biologicals impacted by the corrections may request contractor adjustment of the previously processed claims.

d. Other Established HCPCS Codes for Drugs and Biologicals as of October 1, 2020

Some new HCPCS codes are replacing existing codes that are deleted September 30, 2020. The HCPCS codes, along with the codes that they are replacing, when applicable, as well as the long and short descriptors, and ASC PI are listed in Table 5 (see Attachment A: Policy Section Tables).

e. HCPCS Code for Drug and Biological with Revised Descriptors Effective October 1, 2020

Both the long and short descriptors for HCPCS code J9305 will be revised on October 1, 2020. The new descriptors are reported in Table 6 (see Attachment A: Policy Section Tables).

f. Drugs and Biologicals with Payments Based on Average Sales Price (ASP)

For CY 2020, payment for nonpass-through drugs and biologicals continues to be made at a single rate of ASP + 6 percent, which provides payment for both the acquisition cost and pharmacy overhead costs associated with

the drug or biological. In addition, in CY 2020, a single payment of ASP + 6 percent continues to be made for the Outpatient Prospective Payment System (OPPS) pass-through drugs and biologicals to provide payment for both the acquisition cost and pharmacy overhead costs of these pass-through items. Payments for drugs and biologicals based on ASPs will be updated on a quarterly basis as later quarter ASP submissions become available. Updated payment rates effective October 1, 2020, can be found in the October 2020 update of ASC Addendum BB on the CMS website at: https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ASCPayment/11_Addenda_Updates.html

g. Drugs and Biologicals Based on ASP Methodology with Restated Payment Rates

Some drugs and biologicals with payment rates based on the ASP methodology may have their payment rates corrected retroactively. These retroactive corrections typically occur on a quarterly basis. The list of drugs and biologicals with corrected payment rates will be accessible on the CMS website on the first date of the quarter at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ASCPayment/ASC-Restated-Payment-Rates.html>

Suppliers who think they may have received an incorrect payment for drugs and biologicals impacted by these corrections may request contractor adjustment of the previously processed claims.

h. ASC Payment Indicator Change for J2325 and J2797

The drugs described by J2325 (injection, nesiritide, 0.1 mg) and J2797 (Injection, rolapitant, 0.5 mg) have been discontinued and are no longer available on the market. Effective October 1, 2020, the ASCPI for both of these codes is being changed to Y5= Non-Surgical Procedure/item not valid for Medicare purposes because of coverage, regulation and/or statute; no payment made.

3. New Skin Substitutes and Assignments Effective October 1, 2020

The payment for skin substitute products that do not qualify for hospital outpatient prospective payment system (OPPS) pass-through status are packaged into the OPPS payment for the associated skin substitute application procedure. This policy is also implemented in the ASC payment system. The skin substitute products are divided into two groups for packaging purposes: 1) high cost skin substitute products and 2) low cost skin substitute products. High cost skin substitute products should only be utilized in combination with the performance of one of the skin application procedures described by CPT codes 15271-15278. Low cost skin substitute products should only be utilized in combination with the performance of one of the skin application procedures described by HCPCS code C5271-C5278. All OPPS pass-through skin substitute products (ASC PI=K2) should be billed in combination with one of the skin application procedures described by CPT code 15271-15278. Table 7, lists four (4) new skin substitute HCPCS codes that are active effective October 1, 2020. Table 7 also includes their assignment as either a high cost or a low cost skin substitute product.

Note that ASCs should not separately bill for packaged skin substitutes (ASC PI=N1) since packaged codes are not reportable under the ASC payment system (see Attachment A: Policy Section Tables).

4. Skin Substitute Reassignment to the High Cost Skin Substitute Group as of October 1, 2020

There are three (3) skin substitute HCPCS codes that will be reassigned from the low cost skin substitute group to the high cost skin substitute group as of October 1, 2020. These codes are listed in Table 8 (see Attachment

Number	Requirement	Responsibility								Other
		A/B MAC			D M E M A C	Shared- System Maintainers				
		A	B	H H H		F I S S	M C S	V M S	C W F	
	included in attachment A, table 5, in their systems, effective September 30, 2020.									
11963.8	Contractors and CWF, as appropriate, shall revise their records to include the descriptor changes for HCPCS J9305, in attachment A, table 6, effective October 1, 2020.		X							X
11963.9	<p>If released by CMS, Medicare contractors shall download and install the revised July 2020 ASC DRUG file.</p> <p>FILENAME: MU00.@BF12390.ASC.CY20.DRUG.JULB.V0914</p> <p>NOTE: The revised ASC Drug file is a full replacement file.</p> <p>NOTE: Date of retrieval will be provided in a separate email communication from CMS.</p>		X							VDC
11963.9.1	<p>Medicare contractors shall adjust as appropriate claims brought to their attention that:</p> <p>1) Have dates of service July 1, 2020- September 30, 2020 and ;</p> <p>2) Were originally processed prior to the installation of the revised July 2020 ASC DRUG File.</p>		X							

Number	Requirement	Responsibility							
		A/B MAC		D M E M A C	Shared- System Maintainers				Other
		A	B		H H H	F I S S	M C S	V M S	
11963.10	<p>If released by CMS, Medicare contractors shall download and install the revised April 2020 ASC DRUG file.</p> <p>FILENAME:</p> <p>MU00.@BF12390.ASC.CY20.DRUG.APRC.V0914</p> <p>NOTE: The revised ASC Drug file is a full replacement file.</p> <p>NOTE: Date of retrieval will be provided in a separate email communication from CMS.</p>		X						VDC
11963.10.1	<p>Medicare contractors shall adjust as appropriate claims brought to their attention that:</p> <p>1) Have dates of service April 1, 2020- June 30, 2020 and ;</p> <p>2) Were originally processed prior to the installation of the revised April 2020 ASC DRUG File.</p>		X						
11963.11	<p>If released by CMS, Medicare contractors shall download and install the revised January 2020 ASC DRUG file.</p> <p>FILENAME:</p> <p>MU00.@BF12390.ASC.CY20.DRUG.JAND.V0914</p> <p>NOTE: The revised ASC Drug file is a full replacement file.</p>		X						VDC

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared- System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
	NOTE: Date of retrieval will be provided in a separate email communication from CMS.									
11963.11.1	Medicare contractors shall adjust as appropriate claims brought to their attention that: 1) Have dates of service January 1, 2020- March 31, 2020 and ; 2) Were originally processed prior to the installation of the revised January 2020 ASC DRUG File.		X							
11963.12	If released by CMS, Medicare contractors shall download and install the revised October 2019 ASC DRUG file. FILENAME: MU00.@BF12390.ASC.CY19.DRUG.OCTD.V0914 NOTE: The revised ASC Drug file is a full replacement file. NOTE: Date of retrieval will be provided in a separate email communication from CMS.		X						VDC	
11963.12.1	Medicare contractors shall adjust as appropriate claims brought to their attention that:		X							

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared-System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
	<p>1) Have dates of service October 1, 2019- December 31, 2019 and ;</p> <p>2) Were originally processed prior to the installation of the revised October 2019 ASC DRUG File.</p>									
11963.13	Contractors shall make October 2020 ASCFS fee data for their ASC payment localities available on their websites.		X							
11963.14	Contractors shall notify CMS of successful receipt via e-mail to price_file_receipt@cms.hhs.gov stating the name of the file received, (e.g., CLAB, ASP, etc.) and the entity for which it was received (i.e., include states, carrier numbers, quarter, and if Part A, Part B, or both).		X						VDC	

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E D I
		A	B	H H H		
11963.15	MLN Article: CMS will make available an MLN Matters provider education article that will be marketed through the MLN Connects weekly newsletter shortly after the CR is released. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1, instructions for distributing MLN Connects information to providers, posting the article or a direct link to the article on your website, and including the article or a direct link to the article in your bulletin or		X			

Number	Requirement	Responsibility				
		A/B MAC			D M E	C E D I
		A	B	H H H	M A C	
	newsletter. You may supplement MLN Matters articles with localized information benefiting your provider community in billing and administering the Medicare program correctly. Subscribe to the "MLN Matters" listserv to get article release notifications, or review them in the MLN Connects weekly newsletter.					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements:

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
1,2,4,5,8	Attachment A - Tables for the Policy Section

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Yvette Cousar, 410-786-2160 or yvette.cousar@cms.hhs.gov (B MAC Claims Processing Issues), Chuck Braver, 410-786-6719 or chuck.braver@cms.hhs.gov (ASC Payment Policy)

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 1

Attachment A – Tables for the Policy Section

Table 1. – New HCPCS Codes Effective October 1, 2020

HCPCS Code	Long Descriptor	Short Descriptor	ASC PI
C9761	Cystourethroscopy, with ureteroscopy and/or pyeloscopy, with lithotripsy (ureteral catheterization is included) and vacuum aspiration of the kidney, collecting system and urethra if applicable.	Cysto, litho, vacuum kidney	J8
C9769	Cystourethroscopy, with insertion of temporary prostatic implant/stent with fixation/anchor and incisional struts	Cysto w/temp pros implant	J8

Table 2. – New CY 2020 HCPCS Codes and Dosage Descriptors for Certain Drugs and Biologicals Receiving OPPS Pass-Through Status Effective October 1, 2020

HCPCS Code	Long Descriptor	Short Descriptor	ASC PI
C9060	Fluoroestradiol F18, diagnostic, 1 mCi	Fluoroestradiol F18	K2
C9062	Injection, daratumumab 10 mg and hyaluronidase-fihj	Daratumumab hyaluronidase	K2
C9064	Mitomycin pyelocalyceal instillation, 1 mg	Mitomycin pyelocalyceal inst	K2
C9065	Injection, romidepsin, non-lyophilized (e.g. liquid), 1mg	Romidepsin non-lyophilized	K2
C9066	Injection, sacituzumab govitecan-hziy, 2.5 mg	Sacituzumab govitecan-hziy	K2
C9067	Gallium ga-68, dotatoc, diagnostic, 0.01 mCi	Gallium ga-68 Dotatoc	K2
J7351	Injection, bimatoprost, intracameral implant, 1 microgram	Inj bimatoprost itc imp 1mcg	K2
J9227	Injection, isatuximab-irfc, 10 mg	Inj. isatuximab-irfc 10 mg	K2

Table 3. – Existing HCPCS Codes for Certain Drugs, Biologicals, and Radiopharmaceuticals receiving OPPS Pass-Through status Effective October 1, 2020

HCPCS Code	Long Descriptor	Short Descriptor	ASC PI
Q5112	Injection, trastuzumab-dttb, biosimilar, (ontruzant), 10 mg	Inj ontruzant 10 mg	K2
Q5113	Injection, trastuzumab-pkrb, biosimilar, (Herzuma), 10 mg	Inj herzuma 10 mg	K2
Q5121	Injection, infliximab-axxq, biosimilar, (avsola), 10 mg	Inj. avsola, 10 mg	K2

Table 4. – Drugs and Biologicals with Retroactive ASC PI change for the Period of July 1, 2020 through September 30, 2020

HCPCS Code	Long Descriptor	Short Descriptor	New ASC PI	Effective Date
Q5121	Injection, infliximab-axxq, biosimilar, (avsola), 10 mg	Inj. avsola, 10 mg	K2	07/01/2020

Table 5. – Other Established HCPCS Codes for Drugs and Biologicals as of October 1, 2020

New HCPCS Code	Old HCPCS Code	Long Descriptor	Short Descriptor	ASC PI
J1632	C9055	Injection, brexanolone, 1 mg	Inj., brexanolone, 1 mg	K2
J1738	C9059	Injection, meloxicam, 1 mg	Inj. meloxicam 1 mg	K2
J3032	C9063	Injection, eptinezumab-jjmr, 1 mg	Inj. eptinezumab-jjmr 1 mg	K2
J3241	C9061	Injection, teprotumumab-trbw, 10 mg	Inj. teprotumumab-trbw 10 mg	K2

Table 6. – HCPCS Code for Drug and Biological with Revised Descriptors Effective October 1, 2020

HCPCS Code	Revised October 2020 Long Descriptor	Revised October 2020 Short Descriptor
J9305	Injection, pemetrexed, not otherwise specified, 10 mg	Inj. pemetrexed nos 10mg

Table 7. – New Skin Substitutes and Assignments Effective October 1, 2020

HCPCS Code	Short Descriptor	ASC PI	Low/High Cost Skin Substitute
Q4249	Amniplly, per sq cm	N1	Low
Q4250	AmnioAMP-MP per sq cm	N1	Low
Q4254	Novafix dl per sq cm	N1	Low
Q4255	Reguard, topical use per sq	N1	Low

Table 8. – Skin Substitute Reassignment to the High Cost Skin Substitute Group as of October 1, 2020

HCPCS Code	Short Descriptor	ASC PI	July 2020 Low/High Cost Skin Substitute Group	October 2020 Low/High Cost Skin Substitute Group
Q4205	Membrane graft or wrap sq cm	N1	Low	High
Q4226	Myown harv prep proc sq cm	N1	Low	High
Q4234	Xcellerate, per sq cm	N1	Low	High