

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-20 One-Time Notification</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 2262</b>	<b>Date: February 21, 2019</b>
	<b>Change Request 11087</b>

**Transmittal 2235, dated January 25, 2019, is being rescinded and replaced by Transmittal 2262, dated, February 21, 2019 to exclude revenue codes 0815 and 0819, used to report stem cell acquisition services, for which payment is included in the MS-DRG payment. All other information remains the same.**

**SUBJECT: Ensuring Organ Acquisition Charges Are Not Included in the Inpatient Prospective Payment System (IPPS) Payment Calculation**

**I. SUMMARY OF CHANGES:** This change request ensures that organ acquisition costs, not included in the IPPS payment, on claims that group to a non-transplant Medicare Severity Diagnostic Related Group (MS-DRG) are deducted prior to processing through Pricer.

**EFFECTIVE DATE: July 1, 2019**

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

**IMPLEMENTATION DATE: July 1, 2019**

*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.

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
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:**

**One Time Notification**

# Attachment - One-Time Notification

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## **I. GENERAL INFORMATION**

**A. Background:** There are two payment components for organ transplantation. Approved transplant centers are paid a PPS rate based on a Medicare Severity Diagnostic Related Group (MS-DRG) for the actual organ transplant and they are also reimbursed for the reasonable and necessary costs associated with acquiring the organ (i.e., organ acquisition costs).

Organ acquisition costs for heart, kidney, liver, lung, pancreas and intestinal/multi-visceral transplantations incurred by approved transplant centers are treated as an adjustment (pass through payment) to the hospital's IPPS payment. Applicable acquisition charges are submitted separately by revenue code 0811 (Acquisition of Body Components, Living Donor) or 0812 (Acquisition of Body Components, Cadaver Donor) and are not included in the DRG-based payment for the transplant under the IPPS.

Currently, the Medicare contractor deducts organ acquisition charges (as defined above) prior to processing through the inpatient Pricer by identifying the presence of a transplant MS-DRG and then subtracting charges billed with revenue codes 081x. It has come to CMS's attention that in some cases, under the MS-DRG grouping logic, claims will group to non-transplant MS-DRGs which bypasses the logic to deduct organ acquisition charges prior to processing through the inpatient Pricer, which could result in an overpayment.

The requirements below intend to correct this potential overpayment.

**B. Policy:** This Change Request contains no new policy. It improves the implementation of existing organ acquisition costs payment policy.

## **II. BUSINESS REQUIREMENTS TABLE**

*"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.*

Number	Requirement	Responsibility							
		A/B MAC		D M E	Shared- System Maintainers				Other
		A	B		H H H	M A C	F I S S	M C S	
11087.1	The Medicare contractor shall deduct organ acquisition charges billed with revenue codes 081X, excluding 0815 and 0819, from the total covered charges prior to sending an inpatient Type of Bill (TOB) 11X claim to the Inpatient PPS Pricer for any date of service processed on or after July 1, 2019.					X			
11087.2	Medicare contractors shall adjust claims brought to their attention for a transplant claim grouped to non-transplant MS-DRG and the organ acquisition charges billed with 081X were included in the IPPS Pricer.	X							

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility					
		A/B MAC			D M E	C E D I	M A C
		A	B	H H H			
11087.3	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 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.	X					

### IV. SUPPORTING INFORMATION

**Section A: Recommendations and supporting information associated with listed requirements: N/A**

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

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

## **V. CONTACTS**

**Pre-Implementation Contact(s):** Cami DiGiacomo, Cami.DiGiacomo@cms.hhs.gov

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

## **VI. FUNDING**

### **Section A: For Medicare Administrative Contractors (MACs):**

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