

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-04 Medicare Claims Processing</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 2717</b>	<b>Date: May 31, 2013</b>
	<b>Change Request 8328</b>

**SUBJECT: July 2013 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 July 2013 ASC payment system update. This Recurring Update Notification applies to Chapter 14, section 10.

**EFFECTIVE DATE: July 1, 2013**

**IMPLEMENTATION DATE: July 1, 2013**

*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	

**III. FUNDING:**

**For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:**

No additional funding will be provided by CMS; Contractors activities are to be carried out with their operating budgets

**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 obliged 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**

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

# Attachment - Recurring Update Notification

Pub. 100-04	Transmittal: 2717	Date: May 31, 2013	Change Request: 8328
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**SUBJECT: July 2013 Update of the Ambulatory Surgical Center (ASC) Payment System**

**EFFECTIVE DATE: July 1, 2013**

**IMPLEMENTATION DATE: July 1, 2013**

## **I. GENERAL INFORMATION**

**A. Background:** This Recurring Update Notification describes changes to and billing instructions for various payment policies implemented in the July 2013 ASC payment system update. This Recurring Update Notification applies to Chapter 14, section 10.

## **B. Policy:**

### **1. New HCPCS Procedure Codes**

One new HCPCS procedure code listed in table 1, attachment A, is assigned for payment under the ASC payment system effective July 1, 2013.

### **2. New Category III CPT Codes**

The AMA releases Category III CPT codes twice per year: in January, for implementation beginning the following July, and in July, for implementation beginning the following January. For the July 2013 update, CMS is implementing six Category III CPT codes that the AMA released in January 2013 for implementation on July 1, 2013. Two of the six Category III CPT codes are separately payable under the ASC payment system. The CPT code, short descriptor, long descriptor, and payment indicator for these codes are shown in Table 2, attachment A. Payment rates for these services can be found in Addendum BB of the July 2013 ASC Payment System Update that is posted on the CMS website.

### **3. Billing for Drugs, Biologicals, and Radiopharmaceuticals**

#### **a. Drugs and Biologicals with Payments Based on Average Sales Price (ASP) Effective July 1, 2013**

Payments for separately payable drugs and biologicals based on ASPs are updated on a quarterly basis as later quarter ASP submissions become available. In cases where adjustments to payment rates are necessary based on the most recent ASP submissions, we will incorporate changes to the payment rates in the July 2013 ASC DRUG FILE. The updated payment rates, effective July 1, 2013 will be included in the July 2013 update of the ASC Addendum BB, which will be posted on the CMS Web site.

#### **b. Drugs and Biologicals with OPPS Pass-Through Status Effective July 1, 2013**

Two drugs and biologicals have been granted ASC payment status effective July 1, 2013. These items, along with their short and long descriptors, and ASC payment indicator (PI) assignments, are identified in table 3, attachment A.

#### **c. New HCPCS Codes Effective July 1, 2013 for Certain Drugs and Biologicals**

Two new HCPCS codes have been created for reporting certain drugs and biologicals (other than new pass-through drugs and biological listed above in Table 3, attachment A) in the ASC payment system for July 1, 2013. These codes are listed in Table 4, attachment A and are effective for services furnished on or after



		A	B	H H H	M A C		R I E R	I	F I S S	M C S	V M S	C W F	
8328.1	Contractors shall download and install the July 2013 ASCFS from the CMS mainframe.  FILENAME: MU00.@BF12390.ASC.CY13.FS.JULA.V0603  <b>NOTE: Date of retrieval will be provided in a separate email communication from CMS</b>		X				X						CO BC, ED Cs
8328.2	Medicare contractors shall download and install the July 2013 ASC DRUG file.  FILENAME: MU00.@BF12390.ASC.CY13.DRUG.JULA.V0603  <b>NOTE: Date of retrieval will be provided in a separate email communication from CMS</b>		X				X						CO BC, ED Cs
8328.3	Medicare contractors shall download and install the July 2013 ASC PI file.  FILENAME: MU00.@BF12390.ASC.CY13.PI.JULA.V0603  <b>NOTE: Date of retrieval will be provided in a separate email communication from CMS.</b>		X				X						CO BC, ED Cs
8328.4	Medicare contractors shall download and install a revised April 2013 ASC DRUG file.  FILENAME: MU00.@BF12390.ASC.CY13.DRUG.APRB.V0603  <b>NOTE: Date of retrieval will be provided in a separate email communication from CMS</b>		X				X						CO BC, ED S
8328.4.1	Medicare contractors shall adjust as appropriate claims brought to their attention that:  1) Have dates of service April 1, 2013 through June 30, 2013 and ;  2) Were originally processed prior to the installation of the revised April 2013 ASC DRUG File		X				X						CO BC, ED Cs
8328.5	CWF shall add TOS=F to HCPCS C9736, 0331T-0332T, C9131, Q4122, Q2050, Q2051, Q4126 and Q4134 (listed in tables 1-5 of Attachment A) for											X	CO BC, ED

Number	Requirement	Responsibility											
		A/B MAC			D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				Other
		A	B	H H H					F I S S	M C S	V M S	C W F	
	claims with DOS on or after July 1, 2013.												Cs
8328.6	Contractors shall modify the procedure code file and TOS tables for HCPCS code C9736, 0331T-0332T, C9131, Q4122, Q2050, Q2051, Q4126 and Q4134 (listed in tables 1-5 of Attachment A), on/after July 1, 2013		X					X					CO BC, ED Cs
8328.7	Contractors shall make the July 2013 ASCFS fee data for their ASC payment localities available on their web sites.		X					X					

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility											
		A/B MAC			D M E	F I	C A R R I E R	R H I	Other				
		A	B	H H H					F I S S	M C S	V M S	C W F	
8328.8	MLN Article : A provider education article related to this instruction will be available at <a href="http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/">http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/</a> shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.		X					X					

### IV. SUPPORTING INFORMATION

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

"Should" denotes a recommendation.

<b>X-Ref Requirement Number</b>	<b>Recommendations or other supporting information:</b>
8328.5	Attachment A
8328.1	Attachment A
8328.2	Attachment A
8328.3	Attachment A
8328.6	Attachment A

**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](mailto:yvette.cousar@cms.hhs.gov) (Carrier/ AB MAC Claims Processing Issues) , Mark Baldwin, 410-786-8139 or [mark.baldwin@cms.hhs.gov](mailto:mark.baldwin@cms.hhs.gov) (Carrier/ AB MAC Claims Processing Issues) , Chuck Braver, 410-786-6719 or [chuck.braver@cms.hhs.gov](mailto:chuck.braver@cms.hhs.gov) (ASC Payment Policy)

**Post-Implementation Contact(s):** Contact your Contracting Officer's Representative (COR) or Contractor Manager, as applicable.

## **VI. FUNDING**

### **Section A: For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and/or Carriers:**

No additional funding will be provided by CMS; Contractors activities are to be carried out with their operating budgets

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

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS do 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.

**Attachment:1**

## POLICY SECTION TABLES

**Table 1 – New service payable under the ASC Payment System effective July 1, 2013**

<b>HCPCS</b>	<b>Effective date</b>	<b>Short Descriptor</b>	<b>Long Descriptor</b>	<b>ASC Payment Indicator</b>
C9736	7/1/2013	Lap ablate uteri fibroid rf	Laparoscopy, surgical, radiofrequency ablation of uterine fibroid(s), including intraoperative guidance and monitoring, when performed	G2

**Table 2 -- Category III CPT Codes Implemented as of July 1, 2013**

<b>CPT Code</b>	<b>Short Descriptor</b>	<b>Long Descriptor</b>	<b>ASC Payment Indicator</b>
0331T	Heart symp image plnr	Myocardial sympathetic innervation imaging, planar qualitative and quantitative assessment	Z2
0332T	Heart symp image plnr spect	Myocardial sympathetic innervation imaging, planar qualitative and quantitative assessment; with tomographic SPECT	Z2

**Table 3 – Drugs and Biologicals with OPSS Pass-Through Status Effective July 1, 2013**

<b>HCPCS Code</b>	<b>Short Descriptor</b>	<b>Long Descriptor</b>	<b>ASC Payment Indicator</b>
C9131*	In ado-trastuzumab emtansine	Injection, ado-trastuzumab emtansine, 1 mg	K2
Q4122	Dermacell	Dermacell, per square centimeter	K2

**Note:** The HCPCS code identified with an "\*" indicates that this is both newly payable in the ASC payment system as well as being a new HCPCS code effective July 1, 2013.

**Table 4 – New HCPCS Codes for Certain Drugs and Biologicals Effective July 1, 2013**

<b>HCPCS Code</b>	<b>Short Descriptor</b>	<b>Long Descriptor</b>	<b>ASC Payment Indicator</b>
Q2050*	Doxorubicin inj 10mg	Injection, Doxorubicin Hydrochloride, Liposomal, Not Otherwise Specified, 10 mg	K2

Q2051**	Zoledronic acid 1mg	Injection, Zoledronic Acid, Not Otherwise Specified, 1 mg	K2
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\*HCPCS code J9002 (Injection, Doxorubicin Hydrochloride, Liposomal, Doxil, 10 mg) will be replaced with HCPCS code Q2050 effective July 1, 2013. The payment indicator for HCPCS code J9002 will change to Y5 (Nonsurgical procedure/item not valid for Medicare purposes because of coverage, regulation and/or statute; no payment made) effective July 1, 2013.

\*\* HCPCS code J3487 (Injection, Zoledronic Acid (Zometa), 1 mg) and HCPCS code J3488 (Injection, Zoledronic Acid (Reclast), 1 mg) will be replaced with HCPCS code Q2051 effective July 1, 2013. The payment indicators for HCPCS codes J3487 and J3488 will change to Y5 (Nonsurgical procedure/item not valid for Medicare purposes because of coverage, regulation and/or statute; no payment made) effective July 1, 2013.

**Table 5 – Drugs and Biologicals with Revised Payment Indicators Effective July 1, 2013**

HCPCS Code	Long Descriptor	ASC Payment Indicator
Q4126	Memoderm, dermaspan, tranzgraft or integuply, per square centimeter	K2
Q4134	Hmatrix, per square centimeter	K2

**Table 6 – Updated Payment Rates for Certain HCPCS Codes Effective April 1, 2013 through June 30, 2013**

HCPCS Code	Short Descriptor	Corrected Payment Rate	ASC Payment Indicator
C9297	Omacetaxine mepesuccinate	\$2.53	K2
C9298	Injection, ocriplasmin	\$1,046.75	K2