CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 335	**Date: MAY 2, 2008**
	Change Request 6004

SUBJECT: Modification of Core-Based Statistical Area (CBSA) Payment Localities for Contractors that Process Ambulatory Surgical Center (ASC) Claims

I. SUMMARY OF CHANGES: The purpose of this CR is to direct carriers, A/B MACs and MCS to modify the CBSA payment localities within their systems to allow more than one payment locality per provider in the event the CBSAs should change in future years. For this CR, the implementation date precedes the effective date to allow for shared-system and/or business process updates before new claims processing policies take effect.

NEW / REVISED MATERIAL
EFFECTIVE DATE:*January 1, 2009
IMPLEMENTATION DATE: October 6, 2008

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	

III. FUNDING:
SECTION A: For Fiscal Intermediaries and Carriers:
No additional funding will be provided by CMS; Contractor activities are to be carried out within 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 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

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

Attachment – One-Time Notification

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SUBJECT: Modification of Core-Based Statistical Area (CBSA) Payment Localities for Contractors that Process Ambulatory Surgical Center (ASC) Claims

EFFECTIVE DATE: January 1, 2009

IMPLEMENTATION DATE: October 6, 2008

I.   GENERAL INFORMATION

A.   Background: There are several reasons CBSAs may change from year to year. Each year the Census Bureau conducts mini nation-wide population surveys. Based on the findings, OMB releases memorandums which could change the current CBSA locality structure. Additionally, a complete overhaul of the CBSAs could occur based on the findings of the 10-year national census.

B.   Policy: In the event that CBSA localities change, CMS needs all contractor systems that process Ambulatory Surgical Center (ASC) claims to be able to accommodate more than one CBSA payment locality per provider.

II.   BUSINESS REQUIREMENTS TABLE

Use"Shall" to denote a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B MAC	D M E MAC	F I	C A R R I E R	R H H I	Shared-System Maintainers				OTHER
							F I S S	M C S	V M S	C W F	
6004.1	The standard system shall be modified to support a minimum of three CBSA payment localities per provider.							X			
6004.2	The standard system shall be modified to add a CBSA effective date to the provider file.							X			
6004.3	The contractors shall assign ASCs to their applicable CBSA payment locality.	X			X						
6004.3.1	An effective date shall be applied if the CBSA payment localities change for the ASC.	X			X						

III.   PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)

		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
	None.										

IV. SUPPORTING INFORMATION

Section A: For any recommendations and supporting information associated with listed requirements, use the box below:
Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: For all other recommendations and supporting information, use this space:
N/A

V. CONTACTS

Pre-Implementation Contact(s): For carrier and AB/MAC questions contact Yvette Cousar at yvette.cousar@cms.hhs.gov; (410) 786-2160 or William Stojak at william.stojak@cms.hhs.gov; (410) 786-6984

Post-Implementation Contact(s): Appropriate Regional Office (RO)

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs) and Carriers*:

No additional funding will be provided by CMS; contractor activities are to be carried out within 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 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.