CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-04 Medicare Claims Processing	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 3524	**Date: May 13, 2016**
	Change Request 9661

SUBJECT: July 2016 Integrated Outpatient Code Editor (I/OCE) Specifications Version 17.2

I. SUMMARY OF CHANGES: This notification provides the Integrated OCE instructions and specifications for the Integrated OCE that will be utilized under the OPPS and Non-OPPS for hospital outpatient departments, community mental health centers, all non-OPPS providers, and for limited services when provided in a home health agency not under the Home Health Prospective Payment System or to a hospice patient for the treatment of a non-terminal illness. The attached Recurring Update Notification applies to 100-04, Chapter 4, section 40.1.

EFFECTIVE DATE: July 1, 2016
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: July 5, 2016

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: 3524	Date: May 13, 2016	Change Request: 9661

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EFFECTIVE DATE: July 1, 2016
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I. GENERAL INFORMATION

A. Background: This instruction informs the A/B MACs, the HHH MACs and the Fiscal Intermediary Shared System (FISS) that the I/OCE is being updated for July 1, 2016. The I/OCE routes all institutional outpatient claims (which includes non-OPPS hospital claims) through a single integrated OCE. The attached Recurring Update Notification applies to 100-04, Chapter 4, section 40.1.

B. Policy: This notification provides the Integrated OCE instructions and specifications for the Integrated OCE that will be utilized under the OPPS and Non-OPPS for hospital outpatient departments, community mental health centers, all non-OPPS providers, and for limited services when provided in a home health agency not under the Home Health Prospective Payment System or to a hospice patient for the treatment of a non-terminal illness. The I/OCE specifications will be posted to the CMS Website and can be found at http://www.cms.gov/OutpatientCodeEdit/.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
9661.1	The Shared System Maintainer shall install the Integrated OCE (I/OCE) into their systems.					X				
9661.2	Medicare contractors shall identify the I/OCE specifications on the CMS Website at http://www.cms.gov/OutpatientCodeEdit/.	X		X		X				

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility		
		A/B MAC	DME	CED

		A	B	H H H	M A C	I
9661.3	MLN Article: A provider education article related to this instruction will be available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/ 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 5 business days after receipt of the notification from CMS announcing the availability of the 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.

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): Yvonne Young, Yvonne.Young@cms.hhs.gov , Marina Kushnirova, Marina.Kushnirova@cms.hhs.gov

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: 2

Summary of Quarterly Release Modifications

The modifications of the IOCE for the July 2016 v17.2 release are summarized in the table below. Readers should also read through the entire document and note the highlighted sections, which also indicate changes from the prior release of the software. Some IOCE modifications in the update may be retroactively added to prior releases. If so, the retroactive date appears in the 'Effective Date' column.

#	Type	Effective Date	Edits Affected	Modification
1	Logic	7/1/2016	24	Modify the software to maintain 28 prior quarters (7 years) of programs in each release. Remove older versions with each release. The earliest date included for this release is 10/1/2009.
2	Logic	7/1/2016	95, 96, 97	Implement new edits under the partial hospitalization program logic for weekly hours of service requirements: - Edit 95: Partial hospitalization claim span is equal to or more than 4 days with insufficient number of hours of service (RTP) Criteria: A PHP claim From and Through date spans 4 or more days, but less than 8 days, and there are less than 20 hours of services present. - Edit 96: Partial hospitalization interim claim From and Through dates must span more than 4 days (RTP) Criteria: An interim PHP claim (bill type 763 or 133 with condition code 41) From and Through date spans less than 5 days. - Edit 97: Partial hospitalization services are required to be billed weekly (RTP) Criteria: A PHP claim From and Through date spans more than 7 days. See special processing logic under OPPS (page 7), Appendix C-a (Weekly PHP flowchart) and Appendix F(a) (OPPS edits applied by bill type).
3	Logic	**1/1/2016**	98	Implement new edit 98: Claim with pass-through device, drug or biological lacks required procedure (RTP). Criteria: A pass-through device, drug or biological HCPCS code is present without an associated, required procedure. See special processing logic under OPPS (page 13), Appendix P (flowchart) and Appendix F(a).
4	Logic	**1/1/2015**		Add program logic to exclude certain blood products (packed red cells and whole blood) from packaging if reported on a comprehensive APC claim (see special processing logic under OPPS, page 9 and Appendix L).
5	Logic	**4/5/2016**	67	Apply mid-quarter FDA approval date for HCPCS code Q5102.
6	Logic	**4/1/2016**	94	Apply the edit if new biosimilar HCPCS code Q5102 is reported without the associated new modifier ZB.
7	Logic	7/1/2016	87	Updates to the skin substitute list (Appendix O: move Q4164 from low cost to high cost).
8	Logic	**1/1/2016**	92	Updates to the device and device procedure lists.
9	Logic and Field Definition	**1/1/2016**		Change the program logic to provide unique Payer Value Code QU when a condition for device credit is present, reported with condition code 49, 50 or 53 (see special processing logic under OPPS, page 9 and Table 5).
10	Documentation	**1/1/2016**		Update Appendix L (Comprehensive APC processing) under the inpatient procedure where the patient expired logic to note non-covered SI values are returned as excluded from packaging under comprehensive APCs, but any associated edits are not returned (documentation only, no change to program logic).
11	Documentation	**1/1/2015**	45	Update the reference on page 8 to indicate the change made for edit 45 to include SI = J1 procedures is retroactive to 1/1/2015 (documentation only, no change to program logic).
12	Documentation	7/1/2016		Update Table 2 with reference information for the reporting of modifiers.
13	Documentation	**1/1/2016**		Updated special processing logic on page 9 to include reference to the use of the complexity-adjusted comprehensive APC as the look-up for device credit amount when condition code 49, 50 or 53 are present (documentation only, no change to program logic).
14	Content	**4/1/2016**	22	Add modifier ZB (Pfizer/Hospira) to the list of valid modifiers.
15	Content	**1/1/2015**		Modify the valid revenue list for revenue code 940 (Other therapeutic services) to have SI value changed to N if reported with a blank HCPCS code.
16	Content	7/1/2016		Update the following lists for the release (see quarterly data files): - Questionable covered service list (edit 12) - Valid revenue code list - Revised files for pass-through offset conditions (edit 98) - Device and device-procedure lists (edit 92) - Skin substitute product lists (edit 87)
17	Content	7/1/2016		Make all HCPCS/APC/SI changes as specified by CMS (quarterly data files).
18	Content	7/1/2016	20, 40	Implement version **22.2** of the NCCI (as modified for applicable outpatient institutional providers).
19	Other	7/1/2016		Create 508-compliant versions of the Specifications and Summary of Data Changes documents for publication on the CMS web site. Provide MF and PC IOCE software and supporting quarterly data file reports for publication on the CMS web site.
20	Other	7/1/2016		Deliver quarterly software update and all related documentation and files to users via electronic means.

FINAL

Summary of Data Changes

Integrated OCE v 17.2

Effective July 1, 2016

Table of Contents

DEFINITIONS

- A blank in a field indicates ‘no change’
- The “old” column describes the attribute prior to the change being made in the current update, which is indicated in the “new” column. If the effective date of the change is the same as the effective date of the new update, ‘old’ describes the attribute up to the last day of the previous quarter. If the effective date is retroactive, then ‘old’ describes the attribute for the same date in the previous release of the software.
- “Unassigned”, “Pre-defined” or “Placeholder” in APC or HCPCS descriptions indicates that the APC or HCPCS code is inactive. When the APC or HCPCS code is activated, it becomes valid for use in the OCE, and a new description appears in the “new description” column, with the appropriate effective date.
- Activation Date (ActivDate) indicates the mid-quarter date of FDA approval for a drug, or the mid-quarter date of a new or changed code resulting from a National Coverage Determination (NCD). The Activation Date is the date the code becomes valid for use in the OCE. If the Activation Date is blank, then the effective date takes precedence.
- Termination Date (TermDate) indicates the mid-quarter date when a code or change becomes inactive. A code is not valid for use in the OCE after its termination date.
- For codes with SI of “Q1, Q2, and Q3”, the APC assignment is the standard APC to which the code would be assigned if it is paid separately.

APC CHANGES

Added APCs

The following APC(s) were added to the IOCE, **effective 04-01-16**

APC	APCDesc	StatusIndicator
01847	Inj., infliximab biosimilar	K

The following APC(s) were added to the IOCE, **effective 07-01-16**

APC	APCDesc	StatusIndicator
01761	Rolapitant, oral, 1mg	K
09476	Injection, daratumumab	G
09477	Injection, elotuzumab	G
09478	Injection, sebelipase alfa	G
09479	Instill, ciprofloxacin otic	G
09480	Injection, trabectedin	G

APC Description Changes

The following APC(s) had description changes, **effective 07-01-16**

APC	Old Description	New Description
09458	Florbetaben f18	Florbetaben f18 diagnostic
09459	Flutemetamol f18	Flutemetamol f18 diagnostic

HCPCS/CPT PROCEDURE CODE CHANGES

Added HCPCS/CPT Procedure Codes

The following new HCPCS/CPT code(s) were added to the IOCE, **effective 01-01-16**

HCPCS	CodeDesc	SI	APC	Edit	ActivDate	TermDate
S3854	Gene profile panel breast	E	00000	28		

The following new HCPCS/CPT code(s) were added to the IOCE, **effective 04-01-16**

HCPCS	CodeDesc	SI	APC	Edit	ActivDate	TermDate
Q5102	Inj., infliximab biosimilar	K	01847		20160405	

The following new HCPCS/CPT code(s) were added to the IOCE, **effective 07-01-16**

HCPCS	CodeDesc	SI	APC	Edit	ActivDate	TermDate
0437T	Impltj synth rnfcmt abdl wal	N	00000			
0438T	Tprnl plmt biodegrdabl matrl	T	05374			
0439T	Myocrd contrast prfuj echo	N	00000			
0440T	Abltj perc uxtr/perph nrv	J1	05361			
0441T	Abltj perc lxtr/perph nrv	J1	05361			
0442T	Abltj perc plex/trncl nrv	J1	05361			
0443T	R-t spctrl alys prst8 tiss	T	05373			
0444T	1st plmt drug elut oc ins	N	00000			
0445T	Sbsqt plmt drug elut oc ins	N	00000			
C9476	Injection, daratumumab	G	09476	55		
C9477	Injection, elotuzumab	G	09477	55		
C9478	Injection, sebelipase alfa	G	09478	55		
C9479	Instill, ciprofloxacin otic	G	09479	55		
C9480	Injection, trabectedin	G	09480	55		
Q9981	Rolapitant, oral, 1mg	K	01761			
Q9982	Flutemetamol f18 diagnostic	G	09459			
Q9983	Florbetaben f18 diagnostic	G	09458			
S0285	Cnslt before screen colonoscop	E	00000	9		
S0311	Comp mgmt care coord adv ill	E	00000	9		

Deleted HCPCS/CPT Procedure Codes

The following HCPCS/CPT code(s) were deleted from the IOCE, **effective 07-01-16**

HCPCS	CodeDesc
C9458	Florbetaben f18
C9459	Flutemetamol f18
C9743	Bulking/spacer material impl

HCPCS Changes- APC, Status Indicator and/or Edit Assignments

The following code(s) had an APC and/or SI and/or edit change, **effective 01-01-16** **A blank in the field indicates no change.

HCPCS	CodeDesc	Old APC	New APC	Old SI	New SI	Old Edit	New Edit
85396	Clotting assay whole blood			Q4	N		
88141	Cytopath c/v interpret			Q4	N		
88174	Cytopath c/v auto in fluid			N	Q4		
88175	Cytopath c/v auto fluid redo			N	Q4		

The following code(s) had an APC and/or SI and/or edit change, **effective 07-01-16** **A blank in the field indicates no change.

HCPCS	CodeDesc	Old APC	New APC	Old SI	New SI	Old Edit	New Edit
21462	Treat lower jaw fracture					N/A	12
21470	Treat lower jaw fracture					N/A	12
41874	Repair tooth socket					N/A	12
70320	Full mouth x-ray of teeth					N/A	12

HCPCS	CodeDesc	Old APC	New APC	Old SI	New SI	Old Edit	New Edit
D0150	Comprehensve oral evaluation					N/A	12
D4355	Full mouth debridement					N/A	12
D7140	Extraction erupted tooth/exr					N/A	12
D7210	Rem imp tooth w mucoper flp					N/A	12
D7250	Tooth root removal					N/A	12

HCPCS Edit Changes

The following code(s) were added to the list of male procedures, **effective 07-01-16**

Hcpcs
0438T
0443T

Edit Assignments

The following code(s) were added to edit 67, 68, 69 or 83 **effective 04-01-16**

HCPCS	Edit#	ActivDate	TermDate
Q5102	67	20160405	0

Device Code Procedure Changes

The following code(s) were added to the device code list (edit 92), **effective 01-01-16**

HCPCS
C1713
C1817

Device Dependent Procedure Changes

The following code(s) were removed from the device dependent procedure list (edit 92), **effective 01-01-16**

HCPCS
37241

Pass Through Drug or Biological Offset Procedure Changes

The following pass-through radiopharmaceutical codes subject to APC payment offset were added, **effective 07-01-16**

HCPCS
Q9982
Q9983

The following pass-through radiopharmaceutical codes subject to APC payment offset were removed, **effective 07-01-16**

HCPCS
C9458
C9459

Skin Substitute High Cost Product Procedure Changes

The following code(s) were added to the skin substitute high cost product list, **effective 07-01-16**

HCPCS
Q4164

Skin Substitute Low Cost Product Procedure Changes

The following code(s) were removed from the skin substitute low cost product list, **effective 07-01-16**

HCPCS
Q4164

MODIFIERS

Added Modifiers

The following modifier(s) were added to the list of valid modifiers, **effective 04-01-16**

modif	ACTIVATIONDATE
ZB	0

REVENUE CODES

Revenue Code Status Indicator Changes

The following revenue code(s) had Status Indicator changes, **effective 01-01-15**

RevenueCode	Old SI	New SI
0940	B	N