CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-20 One-Time Notification	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 884	**Date: April 22, 2011**
	Change Request 7234

Transmittal 815, dated November 19, 2010 is being rescinded and replaced by Transmittal 884 Dated April 22, 2011. This CR is being corrected to update the price for HCPCS code Q2036 to $8.784. The effective date for this price will be made retroactive to October 1, 2010. All other information remains the same.

SUBJECT: New HCPCS Q-codes for 2010-2011 Seasonal Influenza Vaccines

I. SUMMARY OF CHANGES: In response to a program need to establish separate billing codes for each brand-name influenza vaccine product under CPT code 90658, this instruction describes the process for updating the new specific HCPCS codes and their payment allowances for Medicare during the 2010-2011 influenza season.

EFFECTIVE DATE: October 1, 2010 unless otherwise specified
IMPLEMENTATION DATE: No later than January 3,2011

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:
For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:
No additional funding will be provided by CMS; Contractor activities are to be carried out within 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 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

Pub. 100-20	Transmittal: 884	April 22, 2011	Change Request: 7234

Transmittal 815, dated November 19, 2010 is being rescinded and replaced by Transmittal 884 Dated April 22, 2011. This CR is being corrected to update the price for HCPCS code Q2036 to $8.784. The effective date for this price will be made retroactive to October 1, 2010. All other information remains the same.

SUBJECT: New HCPCS Q-codes for 2010-2011 Seasonal Influenza Vaccines

Effective Date: October 1, 2010 unless otherwise specified

Implementation Date: No later than January 3, 2011

I. GENERAL INFORMATION

A. Background: The existing Common Procedure Terminology (CPT) code 90658 includes multiple brand name products under one billing code. There is a program need to create separate billing codes for each brand-name vaccine product.

The Health Care Procedure Code System (HCPCS) codes identified below will be included in the annual HCPCS code set update for January 1, 2011. This instruction describes the process for updating these specific HCPCS codes for Medicare payment effective for dates of service on or after October 1, 2010.

B. Policy:

Coding

Effective for claims with dates of service on or after January 1, 2011, the following CPT code will no longer be payable for Medicare:

CPT Code	Short Description	Long Description
90658	Flu vaccine, 3 yrs & >, im	Influenza virus vaccine, split virus, when administered to individuals 3 years of age and older, for intramuscular use

Effective for claims with dates of service on or after October 1, 2010, the following HCPCS codes will be payable for Medicare:

HCPCS Code	Short Description	Long Description
Q2035	Afluria vacc, 3 yrs & >, im	Influenza virus vaccine, split virus, when administered to individuals 3 years of age and older, for intramuscular use (Afluria)
Q2036	Flulaval vacc, 3 yrs & >, im	Influenza virus vaccine, split virus, when administered to individuals 3 years of age and older, for intramuscular use (Flulaval)
Q2037	Fluvirin vacc, 3 yrs & >, im	Influenza virus vaccine, split virus, when administered to individuals 3 years of age and older, for intramuscular use (Fluvirin)
Q2038	Fluzone vacc, 3 yrs & >, im	Influenza virus vaccine, split virus, when administered to

		individuals 3 years of age and older, for intramuscular use (Fluzone)
Q2039	NOS flu vacc, 3 yrs & >, im	Influenza virus vaccine, split virus, when administered to individuals 3 years of age and older, for intramuscular use (Not Otherwise Specified)

Effective for dates of service on or after October 1, 2010, HCPCS codes Q2035, Q2036, Q2037, Q2038 and Q2039 will replace the CPT code 90658 for Medicare payment purposes during the 2010 – 2011 influenza season, however, these HCPCS codes will not be recognized by the Medicare claims processing systems until January 1, 2011 when CPT code 90658 will no longer be recognized. Only the diagnoses codes and edits that are associated with CPT 90658 must also be applied to these new HCPCS codes.

CPT 90658 describes the regular adult dose vaccine that is supplied in a multi-dose vial. This instruction does not affect any other CPT codes. It is very important to distinguish between the various CPT and HCPCS codes which describe the different formulations of the influenza vaccines (i.e. pediatric dose, adult dose, high dose, preservative free, etc.). As a reference, the quarterly Part B drug pricing files includes a set of National Drug Code (NDC) to HCPCS crosswalks available online at http://www.cms.gov/McrPartBDrugAvgSalesPrice/.

Billing

In general, it is inappropriate for a provider to submit two claims for the same service on the same date. For dates of service between October 1, 2010 and December 31, 2010, the CPT 90658 and the Q-codes will be valid for billing; however, providers may not bill Medicare for both the CPT 90658 and any of the Q-codes for the same patient for the same date of service. Thus, if a provider vaccinates a beneficiary on any date between October 1, 2010 and December 31, 2010, the provider may either bill Medicare immediately using CPT 90658, or hold the claim and wait until January 1, 2011 to bill Medicare using the most appropriate Q-code. If a claim has already been submitted and processed using CPT 90658, then there is no need to use the Q-code for that same service.

For dates of service on or after January 1, 2011, providers may only bill Medicare for one of the HCPCS codes that appropriately describes the specific vaccine product administered.

Payment

The Medicare Part B payment limits for influenza vaccines are 95 percent of the AWP as reflected in the published compendia except where the vaccine is furnished in a setting that follows a cost-based or prospective payment system under Medicare. For example, where the vaccine is furnished in the hospital outpatient department, Rural Health Clinic (RHC), or Federally Qualified Health Center (FQHC), payment for the vaccine is based on reasonable cost.

Effective for dates of service on or after September 1, 2010, the Medicare Part B payment limit in other situations for CPT 90655 is $14.858. (This is a correction to Transmittal 2071, Change Request 7120, dated October 22, 2010.)

Effective for dates of service on or after October 1, 2010, the Medicare Part B payment allowance in other situations for Q2036 is$8.784, for Q2037 is $13.253, and for Q2038 is $12.593. Since no national payment limits are available for Q2035 and Q2039, the payment limits will be determined by the local claims processing contractor.

Annual Part B deductible and coinsurance amounts do not apply. All physicians, non-physician practitioners and suppliers who administer the influenza virus vaccination and the pneumococcal vaccination must take assignment on the claim for the vaccine.

II. BUSINESS REQUIREMENTS TABLE

Use"Shall" to denote a mandatory requirement

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	
7234.1	Contractors shall accept the following new codes: Q2035, Q2036, Q2037, Q2038 and Q2039 as valid HCPCS codes for dates of service on or after October 1, 2010. These codes will be included in the January 2011 annual HCPCS file update.	X		X	X	X	X			X	COBC IOCE
7234.2	Contractors shall use the MPFSDB Procedure Status Indicator "I" for 90658 effective for dates of service after December 31, 2010. This change will be updated on the January 2011 MPFSDB.	X		X	X		X			X	
7234.3	Contractors shall manually add HCPCS codes Q2035, Q2036, Q2037, Q2038 and Q2039 to the procedure code file, the 2010 MPFSDB, or appropriate on-line files to reflect an effective date of October 1, 2010. This change will also be updated on the January 2011 MPFSDB. The payment indicators for Q2035, Q2036, Q2037, Q2038 and Q2039 are listed below: <u>Procedure Status: X</u> WRVU: 0.00 Transitional Non-Facility PE RVU: 0.00 Fully Implemented Non-Facility PE RVU: 0.00 Transitional Facility PE RVU: 0.00 Fully Implemented Facility PE RVU: 0.00 Malpractice RVU: 0.00 PC/TC: 9 Site of Service: 9 Global Surgery: XXX Multiple Procedure Indicator: 9 Bilateral Surgery Indicator: 9 Assistant at Surgery Indicator: 9 Co-Surgery Indicator: 9 Team Surgery Indicator: 9 Physician Supervision Diagnostic Indicator: 09	X		X	X		X			X	

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	
	Type of Service: V Diagnostic Family Imaging Indicator: 99										
7234.4	Contractors shall pay for influenza virus vaccine HCPCS codes Q2035, Q2036, Q2037, Q2038, and Q2039 to hospitals (12X and 13X), SNFs (22X and 23X), HHA (34X), hospital-based RDFs (72X), and CAHs (85X) based on reasonable cost.	X		X		X	X				
7234.5	Contractors shall pay for influenza virus vaccine HCPCS codes Q2035, Q2036, Q2037, Q2038, and Q2039 to IHS Hospitals (12X, 13X), and IHS CAHs (85X), based on the lower of the actual charge or 95% of the AWP.	X		X			X				
7234.6	Contractors shall pay for influenza virus vaccine HCPCS codes Q2035, Q2036, Q2037, Q2038, and Q2039 to CORFs (75X), and independent RDFs (72X), based on the lower of the actual charge or 95% of the AWP.	X		X			X				
7234.7	Effective for dates of service on or after October 1, 2010, the Medicare Part B payment limit for HCPCS code Q2036 is $8.784 unless otherwise specified. This revised price will be added to the October 2010 Part B drug pricing files during the April 2011 quarterly update.	X		X	X						
7234.8	Effective for dates of service on or after October 1, 2010, the Medicare Part B payment limit for HCPCS code Q2037 is $13.253 unless otherwise specified. This will be added to the October 2010 Part B drug pricing files during the January 2011 quarterly update.	X		X	X						
7234.9	Effective for dates of service on or after October 1, 2010, the Medicare Part B payment limit for HCPCS code Q2038 is $12.593 unless otherwise specified. This will be added to the October 2010 Part B drug pricing files during the January 2011 quarterly update.	X		X	X						
7234.10	Effective for dates of service on or after October 1, 2010, the Medicare Part B payment limits for HCPCS codes Q2035 and Q2039 shall be determined by contractor discretion unless otherwise specified.	X		X	X						
7234.11	Effective for dates of service on or after September 1, 2010, the Medicare Part B payment limit for CPT code 90655 is $14.858 unless otherwise specified. This revision will also be updated in the October 2010 Part B drug pricing files during the January 2011 quarterly update.	X		X	X						
7234.12	Contractors shall add influenza virus vaccine codes Q2035, Q2036, Q2037, Q2038, and Q2039 to all CWF existing influenza virus vaccine edits with the exception of the edits outlined in Pub. 100-04, Chapter 18, sections 10.4.1 –									X	

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	
	10.4.3.										
7234.13	Contractors shall not search their files to either retract payment for claims already paid or retroactively pay claims. However, contractors shall adjust claims brought to their attention.	X		X	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	
7234.14	A provider education article related to this instruction will be available at http://www.cms.hhs.gov/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 site 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 your 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	X	X					

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:
7234.11	This is a correction to BR7120.2
7234.7	Please refer to CR 7298, "April 2011 Quarterly Average Sales Price (ASP) Medicare Part B

X-Ref Requirement Number	Recommendations or other supporting information:
	Drug Pricing Files and Revisions to Prior Quarterly Pricing Files".

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

V. CONTACTS

Pre-Implementation Contact(s):

Policy: Prabath.Malluwa-Wadu@cms.hhs.gov, (410)-786-4620,
Claims Processing: Bridgitte.Davis@cms.hhs.gov, (410) 786-4573
Institutional Claims Processing: William.Ruiz@cms.hhs.gov, (410) 786-9283

Post-Implementation Contact(s):

Contact your Contracting Officer's Technical Representative (COTR) or Contractor Manager, as applicable.

VI. FUNDING

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

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.