CMS Manual System	Department of Health & Human Services (DHHS)					
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)					
Transmittal 2071	Date: May 1, 2018					
	Change Request 10519					

SUBJECT: Phase 4 - Updating the Fiscal Intermediary Shared System (FISS) to Make Payment for Drugs and Biologicals Services for Outpatient Prospective Payment System (OPPS) Providers

I. SUMMARY OF CHANGES: This Change Request (CR) implements an additional system change necessary to the FISS and Integrated Outpatient Code Editor (IOCE) necessary to make payment for drugs and biologicals to OPPS providers.

EFFECTIVE DATE: January 1, 2016

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

IMPLEMENTATION DATE: October 1, 2018

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:

One Time Notification

Attachment - One-Time Notification

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I. GENERAL INFORMATION

- **A. Background:** The Centers for Medicare & Medicaid Services (CMS) pays for all outpatient drugs using the Average Sales Price (ASP) methodology.
- **B.** Policy: Effective October 1, 2016, drug Healthcare Common Procedure Coding System (HCPCS) on OPPS claims were no longer priced by the OPPS Pricer. The fee schedule amount from the Average Sales Price (ASP) drug file or any future drug fee schedule amount are to be used by FISS to price covered outpatient drugs, and drugs and biologicals with pass-through status under the OPPS.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B		D		Sha	red-		Other	
		N	MAC		M	System				
			E			Maintainers			ers	
		A	В	Н		F	M	V	С	
				Н	M	I	C	M	W	
				Н	A	S	S	S	F	
					C	S				
10519.1	The Medicare SSM shall include the allowed amount					X				
	for pass-through and non-pass through drugs and									
	biologicals (Status Indicator = G or K, Payment									
	Indicator $= 2$) towards the accumulation of expenses									
	subject to deductible.									
10519.2	Medicare Shared System Maintainer shall modify					X				
	logic for claims with a bill type of 12x or 13x that									
	have line items with a date of service on or after									
	01/01/2016, on drug lines with status indicator G or K									
	(OCE flag 1) and payment indicator 2 (OCE flag 2)									
	the HCPC Pricing indicator is "N" and no longer "B".									
10519.3	Medicare contractors shall adjust, as appropriate,	X								
	claims brought to their attention with any retroactive									
	changes that were received prior to the systematic									
	change of the HCPCS Pricing Indicator as "N".									

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
			A/B		D	C
		MAC		\mathbf{C}	M	Е
					Е	D
		Α	В	Н		Ι
				Н	M	
				Н	Α	
					C	
	None					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A *"Should" denotes a recommendation.*

X-Ref	Recommendations or other supporting information:
Requirement	
Number	

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

V. CONTACTS

Pre-Implementation Contact(s): Fred Rooke, fred.rooke@cms.hhs.gov, Yvonne Young, YVONNE.YOUNG@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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ATTACHMENTS: 0