CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2664	**Date: March 1, 2013**
	Change Request 8228

SUBJECT: April 2013 Update of the Hospital Outpatient Prospective Payment System (OPPS)

I. SUMMARY OF CHANGES: This Recurring Update Notification describes changes to and billing instructions for various payment policies implemented in the April 2013 OPPS update. The April 2013 Integrated Outpatient Code Editor (I/OCE) and OPPS Pricer will reflect the Healthcare Common Procedure Coding System (HCPCS), Ambulatory Payment Classification (APC), HCPCS Modifier, and Revenue Code additions, changes, and deletions identified in this Change Request (CR). The attached Recurring Update Notification applies to chapter 4, section 50.

The April revisions to I/OCE data files, instructions and specifications will be posted to the CMS Website and can be found at http://www.cms.gov/OutpatientCodeEdit/

EFFECTIVE DATE: April 1, 2013
IMPLEMENTATION DATE: April 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

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; 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: 2664	Date: March 1, 2013	Change Request: 8228

SUBJECT: April 2013 Update of the Hospital Outpatient Prospective Payment System (OPPS)

EFFECTIVE DATE: April 1, 2013
IMPLEMENTATION DATE: April 1, 2013

I. GENERAL INFORMATION

A. Background: This Recurring Update Notification describes changes to and billing instructions for various payment policies implemented in the April 2013 OPPS update. The April 2013 Integrated Outpatient Code Editor (I/OCE) and OPPS Pricer will reflect the Healthcare Common Procedure Coding System (HCPCS), Ambulatory Payment Classification (APC), HCPCS Modifier, and Revenue Code additions, changes, and deletions identified in this Change Request (CR). The April revisions to I/OCE data files, instructions and specifications will be posted to the CMS Website and can be found at http://www.cms.gov/OutpatientCodeEdit/

B. Policy:

1. Changes to Device Edits for April 2013

The most current list of device edits can be found under "Device, Radiolabeled Product, and Procedure Edits" at http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalOutpatientPPS/. Failure to pass these edits will result in the claim being returned to the provider.

2. New Services

New services listed in table 1, Attachment A, are assigned for payment under the OPPS, effective April 1, 2013.

3. Payment Reduction for Single Session Cobalt-60 Based Stereotactic Radiosurgery (SRS)

Section 634 of the American Taxpayer Relief Act of 2012 requires that effective April 1, 2013, CMS reduce the payment amount for Cobalt-60 based SRS described by CPT code 77371 to an amount equal to the payment amount for the linear accelerator based SRS procedure described by HCPCS code G0173. This requirement does not apply to rural hospitals, as defined in section 1886 (d)(2)(D) and 1866(d)(5)(C), or to sole community hospitals, as defined in section 1886 (d)(5)(D)(iii) of the Social Security Act.

In Addendum B of the CY 2013 OPPS/ASC final rule that was published on the CMS Website on November 1, 2012, CPT code 77371 was assigned to APC 0127 (Level IV Stereotactic Radiosurgery, MRgFUS, and MEG) and HCPCS code G0173 to APC 0067 (Level III Stereotactic Radiosurgery, MRgFUS, and MEG) effective January 1, 2013. Consistent with the requirements set forth in section 634 of the American Taxpayer Relief Act of 2012, CPT code 77371 will remain in APC 0127 but the payment rate for the procedure will be reduced to equal the payment rate for APC 0067 effective April 1, 2013 (except in rural and sole community hospitals), where the payment rate will remain at the APC 0127 level). The OPPS PRICER will provide the appropriate payment rate for CPT code 77371 based on the site of service of where the procedure is performed. Table 2 listed in Attachment A shows the APC assignment and payment rate for CPT code 77371 and HCPCS code G0173 effective April 1, 2013.

4. Inpatient Telehealth Pharmacologic Management (HCPCS Code G0459)

Effective January 1, 2013, CMS established HCPCS code G0459 to track remotely-delivered inpatient pharmacologic management services provided to patients with mental disorders in rural hospitals. HCPCS code G0459 is paid under the Medicare Physician Fee Schedule and assigned to OPPS status indicator "B" to indicate that the code is not recognized by OPPS when submitted on an outpatient hospital Part B bill type.

HCPCS code G0459 did not appear in Addendum B of the CY 2013 OPPS/ASC final rule that was published on the CMS Website on November 1, 2012. Therefore, the short and long descriptors, as well as the OPPS status indicator, for this service are provided in table 3, Attachment A.

5. Billing for Drugs, Biologicals, and Radiopharmaceuticals

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

The CY 2013 OPPS/ASC final rule with comment period stated that payments for drugs and biologicals based on ASPs will be 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, changes to the payment rates will be incorporated in the April 2013 release of the OPPS Pricer. The updated payment rates, effective April 1, 2013 will be included in the April 2013 update of the OPPS Addendum A and Addendum B, which will be posted on the CMS Website.

b. Drugs and Bilogicals with OPPS Pass-Through Status Effective April 1, 2013

Five drugs and biologicals have been granted OPPS pass-through status effective April 1, 2013. These items, along with their descriptors and APC assignments, are identified in table 4, Attachment A.

Additional Information on HCPCS Code C9298 (Injection, Ocriplasmin, 0.125 mg):

Jetrea (ocriplasmin) is packaged in a sterile, single-use vial containing 0.5 mg ocriplasmin in a 0.2 mL solution for intravitreal injection (2.5 mg/mL). As approved by the FDA, the recommended dose for Jetrea (NDC 24856-0001-00) is 0.125 mg. Use of the contents of an entire single-use vial to obtain one recommended dose for one eye of one patient per the FDA-approved label would result in reporting 4 units of C9298 on a claim.

In addition, as indicated in 42 CFR §414.904, CMS calculates an average sales price (ASP) payment limit based on the amount of product included in a vial or other container as reflected on the FDA-approved label, and any additional product contained in the vial or other container does not represent a cost to providers and is not incorporated into the ASP payment limit. In addition, no payment is made for amounts of product in excess of that reflected on the FDA-approved label.

Additonal Information Related to HCPCS Code J7315 (Mitomycin, ophthalmic, 0.2 mg):

HCPCS Code J7315 should only be used for Mitosol and should not be used for compounded mitomycin or other forms of mitomycin.

c. Flucelvax (Influenza virus vaccine)

Flucelvax (Influenza virus vaccine) was approved by the FDA on November 20, 2012. Although this vaccine recently received FDA approval, CPT code 90661, which was established by the CPT Editorial Panel effective January 1, 2008, describes Flucelvax. Since January 1, 2008, CPT code 90661 has been assigned to OPPS status indicator "E" (Not Covered by Medicare) because the product associated with this code had not received FDA approval until recently. The OPPS status indicator for CPT code 90661 has been revised from "E" to "L"

(Influenza Vaccine; Pneumococcal Pneumonia Vaccine) effective November 20, 2012. This change will be reflected in the April 2013 I/OCE. Table 5, Attachment A, provides the descriptors and OPPS status indicator for CPT code 90661.

d. Updated Payment Rates for Certain HCPCS Codes Effective January 1, 2013 through March 31, 2013

The payment rates for two HCPCS codes: J9263 and Q4106 were incorrect in the January 2013 OPPS Pricer. The corrected payment rates are listed in table 6, Attachment A, and have been installed in the April 2013 OPPS Pricer, effective for services furnished on January 1, 2013 through March 31, 2013.

6. Changes to OPPS Pricer logic

Effective April 1, 2013, the OPPS Pricer will respond to hospital billed lines that contain the stereotactic radiosurgery services reimbursed under APC 0127 and reduce the reimbursement to APC 0067, unless the hospital is exempted by statute. OPPS Pricer will apply the reduction of reimbursement to line item payment before applying coinsurance logic so that coinsurance is based on the payment amount remaining after the reduction.

7. Coverage Determinations

The fact that a drug, device, procedure or service is assigned a HCPCS code and a payment rate under the OPPS does not imply coverage by the Medicare program, but indicates only how the product, procedure, or service may be paid if covered by the program. Fiscal Intermediaries (FIs)/Medicare Administrative Contractors (MACs) determine whether a drug, device, procedure, or other service meets all program requirements for coverage. For example, FIs/MACs determine that it is reasonable and necessary to treat the beneficiary's condition and whether it is excluded from payment.

II. BUSINESS REQUIREMENTS TABLE

Use "Shall" to denote a mandatory requirement.

Number	Requirement	Responsibility										
		A/B MAC		DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
		Part A	Part B					FISS	MCS	VMS	CWF	
8228-04.1	Medicare contractors shall install the April 2013 OPPS Pricer.	X			X		X	X				COBC
8228-04.2	Medicare contactors shall manually add the following HCPCS codes to their systems: • HCPCS codes listed in Table 1, effective April 1, 2013; and • C9130, C9297 and C9298 effective April 1, 2013, and	X			X		X	X				COBC

Number	Requirement	Responsibility										
		A/B MAC		DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
		Part A	Part B					FISS	MCS	VMS	CWF	
	• G0459, listed in Table 3, effective January 1, 2013; and • Q0507-Q0509, listed in the April I/OCE CR, effective April 1, 2013. **Note:** These HCPCS codes will be included with the April 2013 I/OCE update. Status and payment indicators for these HCPCS codes will be listed in the April 2013 update of the OPPS Addendum A and Addendum B on the CMS Website at https://www.cms.gov/Medicare/Medicare-Fee-for-Service Payment/HospitalOutpatientPPS/Addendum-A-and-Addendum-B-Updates.html											
8228-04.3	Medicare contactors shall manually delete the following HCPCS codes from their systems: • C9367 effective December 31, 2012; and • Q0505, listed in the April I/OCE CR, effective March 30, 2013. **Note:**These deletions will be reflected in the April 2013 I/OCE update and in the April 2013 Update of the OPPS Addendum A and Addendum B on the CMS Web site at https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalOutpatientPPS/Addendum-A-and-Addendum-B-Updates.html	X			X		X	X				COBC
8228-04.4	Medicare contractors shall adjust, as appropriate, claims brought to their attention that: 1. Have dates of service that fall on or after November 20, 2012, but prior to April 1, 2013; 2. Contain CPT code 90661; and 3. Were originally processed prior to the installation of the April 2013 OPPS Pricer.	X			X		X					COBC
8228-04.5	Medicare contractors shall adjust, as appropriate, claims brought to their attention that:	X			X		X					COBC

Number	Requirement	Responsibility										
		A/B MAC		DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
		Part A	Part B					FISS	MCS	VMS	CWF	
	1. Have dates of service that fall on or after January 1, 2013, but prior to April 1, 2013; 2. Contain HCPCS codes listed in Table 6; and 3. Were originally processed prior to the installation of the April 2013 OPPS Pricer.											

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility						
		A/B MAC		DME MAC	FI	CARRIER	RHHI	Other
		Part A	Part B					
8228-04.6	MLN Article: 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 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		X	

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A
Use "Should" to denote 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): Marina Kushnirova, marina.kushnirova@cms.hhs.gov

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

Attachment A. − Tables Related to the Policy Section

Table 1 – New Services Payable under OPPS Effective April 1, 2013

HCPCS	Effective date	SI	APC	Short Descriptor	Long descriptor	Payment	Minimum Unadjusted Copayment
C9734	4/01/2013	S	0067	U/S trtmt, not leiomyomata	Focused ultrasound ablation/therapeutic intervention, other than uterine leiomyomata, with or without magnetic resonance (MR) guidance	$3,300.64	$660.13
C9735	4/01/2013	T	0150	Anoscopy, submucosal inj	Anoscopy; with directed submucosal injection(s), any substance	$2,365.97	$473.20

<u>Note</u>: HCPCS code C9735 describes the administration/injection procedure for Solesta and should only be reported with HCPCS code L8605 (Injectable bulking agent dextranomer/hyaluronic acid copolymer implant, anal canal, 1 ml, includes shipping and necessary supplies).

Table 2 – OPPS APC and Payment Rate for 77371 and G0173

<table>
<tr><th rowspan="2">CPT/HCPCS Code</th><th rowspan="2">Long Descriptor</th><th rowspan="2">April 2013 APC</th><th colspan="2">April 2013 Payment Rate</th></tr>
<tr></tr>
<tr><td rowspan="2">77371</td><td rowspan="2">Radiation treatment delivery, stereotactic radiosurgery (SRS), complete course of treatment of cranial lesion(s) consisting of 1 session; multi-source Cobalt 60 based</td><td rowspan="2">0127</td><td>Rural Hospitals and other excepted hospitals</td><td>All other Hospitals</td></tr>
<tr><td>$7,911</td><td>$3,301</td></tr>
<tr><td>G0173</td><td>Linear accelerator based stereotactic radiosurgery, complete course of therapy in one session</td><td>0067</td><td colspan="2">$3,301</td></tr>
</table>

Table 3 – New Inpatient Telehealth Pharmacologic Management HCPCS Code

HCPCS Code	Short Descriptor	Long Descriptor	SI	APC
G0459	Telehealth inpt pharm mgmt	Inpatient telehealth pharmacologic management, including prescription, use, and review of medication with no more than minimal medical psychotherapy	B	N/A

Table 4 – Drugs and Biologicals with OPPS Pass-Through Status Effective April 1, 2013

HCPCS Code	Long Descriptor	APC	Status Indicator Effective 4/1/13
C9130*	Injection, immune globulin (Bivigam), 500 mg	9130	G
C9297*	Injection, omacetaxine mepesuccinate, 0.01 mg	9297	G
C9298*	Injection, ocriplasmin, 0.125 mg	9298	G
J7315	Mitomycin, ophthalmic, 0.2 mg	1448	G
Q4127	Talymed, per square centimeter	1449	G

Note: The HCPCS codes identified with an "*" indicate that these are new codes effective April 1, 2013.

Table 5 – Flucelvax Flu Vaccine OPPS Status Indicator

HCPCS Code	Short Descriptor	Long Descriptor	APC	Status Indicator Effective 11/20/12
90661	Flu vacc cell cult prsv free	Influenza virus vaccine, derived from cell cultures, subunit, preservative and antibiotic free, for intramuscular use	N/A	L

Table 6 – Updated Payment Rates for Certain HCPCS Codes Effective January 1, 2013 through March 31, 2013

HCPCS Code	Status Indicator	APC	Short Descriptor	Corrected Payment Rate	Corrected Minimum Unadjusted Copayment
J9263	K	1738	Oxaliplatin	$3.95	$0.79
Q4106	K	1245	Dermagraft	$42.55	$8.51