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Billing of Temporary "C" HCPCS Codes by Non-Outpatient Prospective Payment System (Non-OPPS) Providers

Key Words

MM5027, CR5027, R976CP, "C" Codes, Billing, Non-OPPS, Providers

Provider Types Affected

OPPS and Non-OPPS providers billing Medicare fiscal intermediaries (FIs) for hospital outpatient department services and procedures

Key Points

- The effective date of the instruction is October 1, 2006.
- The implementation date is October 2, 2006.
- As of October 1, 2006 non-OPPS providers have the option of billing under a C-code or an appropriate Current Procedure Terminology (CPT) code. CR5027 **does not** change existing requirements when non-OPPS provider claims require the use of a CPT or Healthcare Common Procedural Coding System (HCPCS) code.

Evolution of C-Codes

- C-codes are unique temporary pricing codes established for the Prospective Payment System and are only valid for Medicare on claims for hospital outpatient department services and procedures.
- Prior to October 1, 2006, C-codes could not be used to bill services payable under other payment systems, and they were used exclusively by hospitals subject to OPPS to identify:
  - Items that may have qualified for transitional pass-through payment under OPPS; or
  - Items or services for which an appropriate HCPCS code did not exist for the purposes of implementing the OPPS.
- Since they were originally established by the Centers for Medicare & Medicaid Services (CMS), C-codes have evolved and they now also target uniquely hospital services that may be provided by:
  - OPPS providers;

  - Other providers; or
  - Providers paid under other payment systems.
- Non-OPPS providers subsequently requested the option to bill using C-codes or appropriate CPT codes.

Using C-Codes

- Effective October 1, 2006 the following Non-OPPS providers may elect to bill using C-codes (or appropriate CPT codes) on Type of Bills (TOBs) 12X, 13X, or 85X:
  - Critical access hospitals (CAHs);
  - Indian Health Service Hospitals (IHS);
  - Hospitals located in American Samoa, Guam, Saipan, or the Virgin Islands; and
  - Maryland waiver hospitals.
- Claims that contain a temporary C-code when billed on TOB 85X with Revenue codes 96X, 97X, or 98X will be returned to the provider.
- Method I and Method II CAHs:
  - Are limited to using C-codes to bill for facility (technical) services; and
  - Method II CAHs **should not** use C-codes to bill for professional services with revenue codes 96X, 97X, or 98X.

Payment Methodology Is Unchanged

  - OPPS providers will continue to receive pass-through payment on items or services that qualify for pass-through payment; and
  - Non-OPPS providers:
    - Are not eligible for pass-through payments;
    - Will be paid under their normal payment methodologies; and
    - Should comply with all existing requirements when claims require the use of a HCPCS or CPT code.

Note: C-codes may be replaced with permanent codes. Whenever a permanent code is established to replace a temporary code, the temporary code is deleted and cross-referenced to the new permanent code. Upon deletion of a temporary code, OPPS and Non-OPPS providers shall bill using the new permanent code.

Important Links

http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5027.pdf

Providers may view the quarterly HCPCS Code updates at http://www.cms.hhs.gov/HCPCSReleaseCodeSets/ on the CMS web site.

Affected providers may see the official instruction issued to their intermediary at http://www.cms.hhs.gov/Transmittals/downloads/R976CP.pdf on the CMS web site.

If affected providers have questions, they can contact their intermediary at their toll-free number, which may be found at http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.pdf on the CMS web site.