



Related MLN Matters Article #: MM3847

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New Healthcare Common Procedure Coding System (HCPCS) Drug Codes

Key Words

MM3847, CR3847, HCPCS, Drug Code, Drug

Provider Types Affected

Physicians, providers, and suppliers billing Medicare carriers, including Durable Medical Equipment Regional Carriers (DMERCs) or Fiscal Intermediaries (FIs), for high osmolar contrast material (HOCM) and iloprost inhalation solution

Key Points

- The effective date for this instruction is July 1, 2005.
- The implementation date is July 5, 2005.
- HCPCS code Q4080 for iloprost inhalation solution and HCPCS codes Q9958-Q9964 for HOCM are being added to the HCPCS. These are effective July 1, 2005, for dates of service on or after July 1, 2005.
- Those providers billing Medicare carriers may note that code Q4080 will be assigned to status indicator "E," and codes Q9958-Q9964 will be assigned status indicator "B" in the Medicare Physician Fee Schedule Database.
- Note that while Medicare carriers and DMERCs will accept Q4080 to report iloprost inhalation solution, only Medicare DMERCs will make payment for Q4080.
- **Payment for HOCMs** is included in the payment for the procedure and separate payment for the HOCMs is not allowed (*Medicare Claims Processing Manual*, Publication 100-04, Chapter 13, section 30).
- **Where appropriate, revenue code 0636 should be assigned when billing these HOCM HCPCS codes.**
- **Critical Access Hospital (CAH)** outpatient departments should bill for codes Q4080 and Q9958Q9964 using type of bill (TOB) 85X. Payment for such services will be based on reasonable cost and beneficiary deductible. Coinsurance does apply.

- **Skilled Nursing Facilities (SNFs)** billing under Medicare Part B should use TOB 22X (for inpatient Part B) and 23X (outpatient) for codes Q4080 and Q9958-Q9964. Payments to the will be based on reasonable cost and beneficiary deductible. Coinsurance does apply.
- The payment allowance limits for new drugs and biologicals not included in the Average Sales Price (ASP) Medicare Part B Drug Pricing file or Not Otherwise Classified (NOC) Pricing File are based on 106 percent of the Wholesale Acquisition Cost (WAC). (See MLN Matters article MM3846 relating to CR3846 for more information.)
- MLN Matters article MM3847 contains a table of the HCPCS codes being added to the HCPCS for iloprost inhalation solution and high osmolar contrast material on pages 1-2 of the article.

Important Links

MM3847: "New Healthcare Common Procedure Coding System (HCPCS) Drug Codes (Revised 7/1/05)" can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3847.pdf> on the CMS web site.

CR3847: "Transmittal #600: New Healthcare Common Procedure Coding System (HCPCS) Drug Codes (Revised 6/30/05)" can be found at <http://www.cms.hhs.gov/transmittals/downloads/R600CP.pdf> on the CMS website.

MM3846: "MMA – New April 2005 Quarterly Average Sales Price (ASP) Medicare Part B Drug Pricing File and Revisions to January 2005 Quarterly Average Sales Price (ASP) Medicare Part B Drug Pricing File" can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3846.pdf> on the CMS website.