

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



The ICD-10-related implementation date is now October 1, 2015. The switch to the new code set will affect every aspect of how your organization provides care, but with adequate planning and preparation, you can ensure a smooth transition for your practice. Keep Up to Date on ICD-10. Please visit the [ICD-10](#) website for the latest news and resources to help you prepare.

MLN Matters® Number: MM8137

Related Change Request (CR) #: CR 8137

Related CR Release Date: December 21, 2012

Effective Date: January 1, 2013

Related CR Transmittal #: R2616CP

Implementation Date: January 7, 2013

January 2013 Integrated Outpatient Code Editor (I/OCE) Specifications Version 14.0

Provider Types Affected

This MLN Matters® Article is intended for providers submitting claims to Medicare contractors (Fiscal Intermediaries (FIs), Medicare Administrative Contractors (MACs), and/or Regional Home Health Intermediaries (RHHIs)) for outpatient services provided to Medicare beneficiaries and paid under the Outpatient Prospective Payment System (OPPS), for outpatient claims from any non-OPPS provider not paid under the OPPS, and for claims for limited services when provided in a Home Health Agency (HHA) not under the Home Health Prospective Payment System (HHPPS) or claims for services to a hospice patient for the treatment of a non-terminal illness.

Provider Action Needed

This article is based on Change Request (CR) 8137, which describes changes to the Integrated Outpatient Code Editor (I/OCE) and OPPS to be implemented in the January 2013 OPPS and I/OCE updates. Be sure your billing staff is aware of these changes.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2011 American Medical Association.

Background

The I/OCE routes all institutional outpatient claims (which includes non-OPPS hospital claims) through a single integrated OCE, eliminating the need to update, install, and maintain two separate OCE software packages on a quarterly basis.

The full list of I/OCE specifications can now be found at <http://www.cms.gov/Medicare/Coding/OutpatientCodeEdit/index.html> on the Centers for Medicare & Medicaid Services (CMS) website. There is a summary of the changes for January 2013 in Appendix M of Attachment A of CR8137 and that summary is captured in the following key points.

Effective January 1, 2013, (except as noted below) Medicare will:

- Modify the software to maintain 28 prior quarters (7 years) of programs in each release. Remove older versions with each release. (The earliest version date included in this January 2013 release will be 4/1/06.) Edit 24 is affected.
- Modify the criteria for assignment of the electrophysiology/ablation composite Ambulatory Payment Classification (APC) code (appK) by:
 - Assigning the composite APC 8000 if there is a single code present from group C, or if there is one code from group A **and** one code from group B.
 - If multiple codes from group C are present, assigning the APC to the code with the lowest numerical value and assign Status Indicator (SI) of N to additional group C codes on the same day.
 - If the criteria for APC assignment are met from group C as well as groups A and B, assigning the APC to the group C code and assign the SI of N to the codes from groups A and B.
 - Assigning terminated group C codes (with modifier 52 or 73) to the composite APC and have the terminated procedure discount applied.
- Apply edit 84 (claim lacks required primary code) to Partial Hospitalization Program (PHP) claims if new psychiatric add-on codes are submitted without a code for the primary service on the same day.
- Modify the PHP logic to ignore the psychiatric add-on codes in the count of the number of services (3 or 4) required to assign the PHP APCs.
- Add four modifiers (24, 57, LM, and RI) to the list of National Correct Coding Initiative (NCCI) modifiers.
- Remove code 58611 from the Inpatient Separate Procedure list. (**Effective April 1, 2006.**)
- Add occupational Therapy (G0129) and Activity Therapy (G0176) to the list for edit 81.

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- Deactivate edits 63 and 64.
- Make HCPCS/APC/SI changes as specified by CMS (data change files).
- Implement version 19.0 of the NCCI (as modified for applicable institutional providers). [All edits combined in a single file, in code1/code2 format; mutually exclusive pairs no longer differentiated]. Edits 20 and 40 are affected.
- Update procedure/device & device/procedure edit requirements. Edit 71 is affected.
- Update the PHP list A & B.
- Update composite APC requirements.
- Add new modifiers CH, CI, CJ, CK, CL, CM, and CN (% impaired, limited or restricted); LM and RI to the valid modifier list. Edit 22 is affected.
- Update the skin substitute list.
- Update nuclear medicine/radiolabeled products list.

Additional Information

The official instruction, CR8137 issued to your FI, A/B MAC, or RHHI regarding this change may be viewed <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R2616CP.pdf> on the CMS website.

If you have any questions, please contact your carrier or FI, A/B MAC, or RHHI at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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