

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



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MLN Matters® Number: MM9005

Related Change Request (CR) #: CR 9005

Related CR Release Date: December 19, 2014

Effective Date: January 1, 2015

Related CR Transmittal #: R3153CP

Implementation Date: January 5, 2015

January 2015 Integrated Outpatient Code Editor (I/OCE) Specifications Version 16.0

Provider Types Affected

This MLN Matters® Article is intended for physicians, providers, and suppliers submitting claims to Medicare Administrative Contractors (MACs) for outpatient services provided to Medicare beneficiaries and paid under the Outpatient Prospective Payment System (OPPS) and 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 (HH PPS) 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) 9005 which informs MACs about the changes to the Integrated Outpatient Code Editor (I/OCE) instructions and specifications for the Integrated OCE that will be utilized under the OPPS and Non-OPPS for hospital outpatient departments, community mental health centers, all non-OPPS providers, and for limited services when provided in a home health agency not under the Home Health Prospective Payment System or to a hospice patient for the treatment of a non-terminal illness. Make sure that your billing staffs are aware of these changes.

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Background

CR9005 instruction informs the MACs and the Fiscal Intermediary Shared System (FISS) that the I/OCE is being updated for January 1, 2015. The I/OCE routes all institutional outpatient claims (which includes non-OPPS hospital claims) through a single integrated OCE, which eliminates 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 2015 in Appendix O (located in Appendixes M or N of prior releases) of Attachment A of CR9005 and that summary is captured in the following table.

Summary of Modifications

Type	Effective Date	Edits Affected	Modification
Logic	1/1/2015	24	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 2015 release is 4/1/2008)
Logic	1/1/2015		Status Indicator (SI) changes: <ul style="list-style-type: none"> - New SI - J1 (Hospital Part B services paid through a comprehensive APC) - Deactivate SI X Modify description for SI Q1 to remove reference to SI X (STV – Packaged Codes)
Logic	1/1/2015	92	Implement new edit 92 (Device-dependent procedure reported without device code) Edit criteria: <ul style="list-style-type: none"> - A device-dependent procedure is reported without a device code - Return to Provider (RTP)
Logic	1/1/2015		Implement Comprehensive Ambulatory Payment Classification (APC) logic (new Appendix L): <ul style="list-style-type: none"> - Specified device-dependent procedures (SI = J1) are assigned to a comprehensive APC - Multiple J1 procedures may be subject to a complexity adjustment which assigns a different comprehensive APC - Package all other procedures (change the SI to N) present on the same claim, with exceptions for services that are not covered under OPPS (SI = B, E, M) and services that are excluded by statute
Logic	1/1/2015		Add new payment adjustment flag value 11 (Multiple units of service present paid at single comprehensive APC rate) and update Appendix G to include new value.

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Type	Effective Date	Edits Affected	Modification
Logic	1/1/2015		Updates to Appendix F(a) for January 2015: <ul style="list-style-type: none"> - Add edit 86 for home health bill type 32x - Add new edit 92 for applicable bill types
Logic	1/1/2014		Update Appendix F(a): Remove edits 61 and 72 from hospice bill types (81x, 82x), effective retroactively to 1/1/2014.
Logic	1/1/2015	71, 77	Deactivate edits 71 and 77 (procedure/device; device/procedure).
Logic	1/1/2015		Deactivate special logic for CRT-D (Cardioverter Defibrillator with Pacing Electrode) which conditionally packaged procedure 33225 with 33249.
Logic	1/1/2015	84	Remove code pairs associated with 33225 from the edit logic for edit 84.
Logic	1/1/2015		Revise program logic to remove reference to SI X from conditional packaging (STV X -packaging).
Logic	1/1/2015		Updates to Appendix K on page 39 to note the deactivation of composite APC 8000.
Logic	1/1/2015	8	Update to the sex conflict list by adding codes 0357T and 89337 to the female only list.
Logic	10/1/2014		Modify the Federally Qualified Health Clinic (FQHC) PPS logic to ignore modifier 59 when reported with an established patient mental health visit (G0469).
Logic	10/1/2014		Update the following for FQHC PPS: <ul style="list-style-type: none"> - Add HCPCS Q0091 as a qualifying visit code for new and established patient visits - Add HCPCS G0472 as a preventive service - Remove HCPCS M0064 from qualifying visit code pair (Appendix M) for G0467; code is deleted.
Logic	1/1/2015	22	Add new modifiers to the valid modifier list: PO: Serv/proc off-campus pbd XE: Separate Encounter XP: Separate Practitioner XS: Separate Structure XU: Unusual Non-Overlapping Service Note: XE, XP, XS, XU are designated as National Correct Coding Initiative (NCCI) modifiers

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Type	Effective Date	Edits Affected	Modification
Logic	1/1/2015	75	Edit 75 (Incorrect billing of modifier FB or FC) is deactivated.
Logic	1/1/2015	87	Updated skin substitute product lists (Lists A and B in Appendix P).
Logic	6/2/2014	68	Implement mid-quarter approval for G0472.
Logic	1/9/2014	68	Implement mid-quarter approval for G0276.
Logic	8/1/2014	67	Implement mid-quarter approval for 90687.
Content	1/1/2015		Make HCPCS/APC/SI changes as specified by CMS (data change files).
Content	1/1/2015	20, 40	Implement version 21.0 of the NCCI (as modified for applicable institutional providers).
Doc	1/1/2015		Rename Appendices from Appendix L forward, to accommodate new Comprehensive APC Processing Logic (new Appendix L); Appendix M – FQHC Processing, Appendix N: OCE Overview, Appendix O: Summary of Modifications, Appendix P: Code Lists.
Doc	1/1/2015		Update to Appendix D to include notes regarding modifier 50 and comprehensive APCs.
Doc	1/1/2015		Update Appendix E (Payment Method Flag) to add SI = J1 and note deactivation of SI = X.
Doc	1/1/2015		Updated IOCE specification document to remove any reference to Fiscal Intermediary or “FI” (includes edit descriptions for edits 11 and 72, and any field description that included a reference to FI/MAC).
Doc	10/1/2014		<p>Updates related to FQHC PPS:</p> <ul style="list-style-type: none"> - Correct the output buffer placement of edit 90 from the Procedure Edits Buffer to the Revenue Edits Buffer (only a change to IOCE output placement in the mainframe software) - Added documentation to the specifications regarding bill type 770 (no payment claim), all claim lines are assigned line item action flag 5 but edit 91 is not returned (Appendix M) <p>Added documentation to the specifications regarding the use of SI of E for FQHC non-covered services (Appendix M)</p>

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Type	Effective Date	Edits Affected	Modification
Other	1/1/2015		Create 508-compliant versions of the specifications & Summary of Data Changes documents for publication on the CMS web site.
Other	1/1/2015		Deliver quarterly software update & all related documentation and files to users via electronic means.

Additional Information

The official instruction, CR9005 issued to your MAC regarding this change is available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3153CP.pdf> on the CMS website.

If you have any questions, please contact your MAC at their toll-free number, which is available at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

Seasonal Flu Vaccinations - Generally, Medicare Part B covers one flu vaccination and its administration per flu season for beneficiaries without co-pay or deductible. Now is the perfect time to vaccinate beneficiaries. Health care providers are encouraged to get a flu vaccine to help protect themselves from the flu and to keep from spreading it to their family, co-workers, and patients. Note: The flu vaccine is not a Part D-covered drug. For more information on coverage and billing of the influenza vaccine and its administration, please visit [MLN Matters® Article #MM8890](#), "Influenza Vaccine Payment Allowances - Annual Update for 2014-2015 Season" and [MLN Matters® Article #SE1431](#), "2014-2015 Influenza (Flu) Resources for Health Care Professionals."

While some providers may offer flu vaccines, those that don't can help their patients locate flu vaccines within their local community. The [HealthMap Vaccine Finder](#) is a free online service where users can search for locations offering flu and other adult vaccines. If you provide vaccination services and would like to be included in the Health Map Vaccine Finder database, [register](#) for an account to submit your information in the database. Also, visit the CDC [Influenza \(Flu\)](#) web page for the latest information on flu including the CDC 2014-2015 recommendations for the prevention and control of influenza.

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