DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

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Coding for ICD-10-CM: More of the Basics MLN Connects™ Video - In this MLN Connects® video on **Coding for ICD-10-CM: More of the Basics,** Sue Bowman from the American Health Information Management Association (AHIMA) and Nelly Leon-Chisen from the American Hospital Association (AHA) provide a basic introduction to ICD-10-CM coding. The objective of this video is to enhance viewers' understanding of the characteristics and unique features of ICD-10-CM, as well as similarities and differences between ICD-9-CM and ICD-10-CM.

Run time: 36 minutes.

MLN Matters® Number: MM9100 Revised **Related Change Request (CR) #: CR 9100**

Related CR Release Date: April 15, 2015 **Effective Date: April 1, 2015**

Related CR Transmittal #: R3234CP **Implementation Date: April 6, 2015**

April 2015 Update of the Ambulatory Surgical Center (ASC) Payment System

Note: This article was revised on April 17, 2015, to reflect the revised CR9100 issued on April 15, 2015. The article was revised to correct a numbering error in the business requirements, and to update the BR9100.12 filename in the Change Request (CR). In addition, the CR transmittal number, release date, and the Web address for accessing the CR are revised. All other information remains the same.

Provider Types Affected

This MLN Matters® Article is intended for physicians and Ambulatory Surgical Centers (ASCs) submitting claims to Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

Provider Action Needed

Change Request (CR) 9100 describes changes to and billing instructions for various payment policies implemented in the April 2015 ASC payment system update and includes updates to the Healthcare Common Procedure Coding System (HCPCS). Make sure your billing staffs are aware of these changes.

Key Points of CR9100

1. New Device Pass-Through Category and Device Offset from Payment

Additional payments may be made to the ASC for covered ancillary services, including certain implantable devices with pass-through status under the Outpatient Prospective Payment System (OPPS). Section 1833(t)(6)(B) of the Social Security Act (the Act) requires that, under the OPPS, categories of devices be eligible for transitional pass-through payments for at least 2, but not more than 3 years. Section 1833(t)(6)(B)(ii)(IV) of the Act requires that additional categories be created for transitional pass-through payment of new medical devices not described by current or expired categories of devices. This policy was implemented in the 2008 revised ASC payment system.

CMS is establishing one new HCPCS device pass-through category as of April 1, 2015 for the OPPS and the ASC payment systems. The table, below, provides a listing of new coding and payment information concerning the new device category for transitional pass-through payment. HCPCS code C2623 (Catheter, transluminal angioplasty, drug-coated, non-laser) is assigned ASC PI= J7 (OPPS pass-through device paid separately when provided integral to a surgical procedure on ASC list; payment contractor-priced).

New Device Pass-Through Code HCPCS

HCPCS	Short Descriptor	Long descriptor	ASC PI
C2623	Cath, translumin, drug-coat	Catheter, transluminal angioplasty, drug-coated, non-laser	J7

a. Device Offset from Payment:

The C2623 device should always be billed with CPT Code 37224 (Revascularization, endovascular, open or percutaneous, femoral, popliteal artery(s), unilateral; with transluminal angioplasty), or CPT Code 37226 (Revascularization, endovascular, open or percutaneous, femoral, popliteal artery(s), unilateral; with transluminal stent placement(s), includes angioplasty within the same vessel, when performed).

The Centers for Medicare & Medicare Services (CMS) has determined that a portion of the OPPS payment associated with the cost of HCPCS code C2623 is reflected in the OPPS payment for CPT codes 37224 and 37226. The ASC Code Pair File will be used to establish the reduced ASC payment amount for CPT codes 37224 and 37226, when billed with HCPCS code C2623.

b. Billing Instructions for CPT codes 37224 and 37226:
Pass-through category C2623 (Catheter, transluminal angioplasty, drug-coated, non-laser), is to be billed, and paid for, as a pass-through device when provided with CPT Code 37224 (Revascularization, endovascular, open or percutaneous, femoral, popliteal artery(s), unilateral; with transluminal angioplasty), or CPT Code 37226 (Revascularization, endovascular, open or percutaneous, femoral, popliteal artery(s), unilateral; with transluminal stent placement(s), includes angioplasty within the same vessel, when performed) beginning on and after C2623's effective date of April 1, 2015.

2. New Services

No new services have been assigned for payment in the ASC payment system effective April 1, 2015.

3. Drugs, Biologicals, and Radiopharmaceuticals

a. New April 2015 HCPCS Codes for Certain Drugs, Biologicals, and Radiopharmaceuticals.

For April 2015, six new HCPCS codes, shown in the table below, have been created for reporting drugs and biologicals in the ASC setting, where there have not previously been specific codes available.

New April 2015 HCPCS Codes Effective for Certain Drugs, Biologicals, and Radiopharmaceuticals

HCPCS Code[1]	Long Descriptor	ASC PI
C9445	Injection, c-1 esterase inhibitor (recombinant), Ruconest, 10 units	K2
C9448	Netupitant 300mg and palonosetron 0.5 mg, oral	K2
C9449	Injection, blinatumomab, 1 mcg	K2
C9450[2]	Injection, fluocinolone acetonide intravitreal implant, 0.01 mg	K2
C9451	Injection, peramivir, 1 mg	K2
C9452	Injection, ceftolozane 50 mg and tazobactam 25 mg	K2

Notes:

1. HCPCS codes listed in the above table are new codes effective April 1, 2015.
2. HCPCS code C9450 is associated with Iluvien® and should not be used to report any other fluocinolone acetonide intravitreal implant (e.g., Retisert®). ASCs should note that the dosage descriptor for Iluvien is 0.01 mg. Because each implant is a fixed dose containing 0.19 mg of fluocinlone acetonide, ASCs should report 19 units of C9450 for each implant.

b. Drugs and Biologicals with Payments Based on Average Sales Price (ASP) Effective April 1, 2015

For CY 2015, payment for non-pass-through drugs, biologicals and therapeutic radiopharmaceuticals is made at a single rate of ASP + 6 percent, which provides payment for both the acquisition cost and pharmacy overhead costs associated with the drug, biological or therapeutic radiopharmaceutical. Additionally, in CY 2015, a single payment of ASP + 6 percent for pass-through drugs, biologicals and radiopharmaceuticals is made to provide payment for both the acquisition cost and pharmacy overhead costs of these pass-through items.

Payments for drugs and biologicals based on ASPs will be updated on a quarterly basis as later quarter ASP submissions become available. Updated payment rates effective April 1, 2015, are available the April 2015 ASC Addendum BB, which is at **http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ASCPayment/11_Addenda_Updates.html** on the CMS website.

4. Drugs and Biologicals Based on ASP Methodology with Restated Payment Rates

Some drugs and biologicals based on ASP methodology may have payment rates that are corrected retroactively. These retroactive corrections typically occur on a quarterly basis. The list of drugs and biologicals with corrected payments rates will be accessible on the first date of the quarter at **http://cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ASCPayment/index.html** on the CMS website.

Suppliers who think they may have received an incorrect payment for drugs and biologicals impacted by these corrections may request MAC adjustment of the previously processed claims.

a. Revised ASC Payment Indicator for HCPCS Codes J0365

Effective April 1, 2015, the ASC payment indicator for HCPCS code J0365 (Injection, aprotonin, 10,000 kiu) will change from K2 to Y5. This code is listed in the following table 3, along with the effective date for the revised status indicator

Drugs and Biologicals with Revised ASC Payment Indicators

HCPCS Code	Long Descriptor	ASC PI	Effective Date
J0365	Injection, aprotonin, 10,000 kiu	Y5	4/1/2015

b. Other Changes to CY 2015 HCPCS Codes for Certain Drugs, Biologicals, and Radiopharmaceuticals

Effective April 1, 2015, HCPCS code Q9975 (Factor VIII FC Fusion Recomb) will replace HCPCS code C9136 Factor viii (Eloctate). The payment indicator for Q9975 will remain K2. Code C9136 has a termination date of March 31, 2015.

The following table describes the HCPCS code change and effective date.

New HCPCS Codes for Certain Drugs and Biologicals Effective April 1, 2015

HCPCS Code	Short Descriptor	Long Descriptor	ASC PI	Added Date
Q9975	Factor VIII FC Fusion Recomb	Injection, factor viii, fc fusion protein, (recombinant), per i.u.	K2	04/01/2015

5. Billing Guidance for Corneal Allograft Tissue

ASCs can bill for corneal allograft tissue used for coverage (CPT code 66180) or revision (CPT code 66185) of a glaucoma aqueous shunt with HCPCS code V2785. Contractors pay for corneal tissue acquisition reported with HCPCS code V2785 based on acquisition/invoice cost.

6. Coverage Determinations

The fact that a drug, device, procedure or service is assigned a HCPCS code and a payment rate under the ASC payment system 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. Your MAC determines whether a drug, device, procedure, or other service meets all program requirements for coverage; for example, that it is reasonable and necessary to treat the beneficiary's condition and whether it is excluded from payment.

7. Claim Adjustment

Your MAC will adjust, as appropriate, claims that you bring to their attention that:

1. Have dates of service January 1, 2015- March 31, 2015, and were originally processed prior to the installation of the revised January 2015 ASC DRUG File.
2. Have dates of service April 1, 2014- June 30, 2014, and were originally processed prior to the installation of the revised April 2014 ASC DRUG File.
3. Have dates of service July 1, 2014- September 30, 2014, and were originally processed prior to the installation of the revised July 2014 ASC DRUG File.
4. Have dates of service October 1, 2014- December 30, 2014, and were originally processed prior to the installation of the revised October 2014 ASC DRUG File.

Additional Information

The official instruction, CR9100 issued to your MAC regarding this change is available at **http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3234CP.pdf** on the CMS website.

If you have any questions, please contact your MAC at their toll-free number. That number is available at **http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/index.html** under - How Does It Work.