

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



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MLN Matters® Number: MM9121

Related Change Request (CR) #: CR 9121

Related CR Release Date: August 19, 2015

Effective Date: October 1, 2014; October 1, 2015

Related CR Transmittal #: R1494OTN

Implementation Date: October 5, 2015

Updates to the List of Medicare Severity Diagnosis Related Groups (MS-DRGs) Subject to the Inpatient Prospective Payment System (IPPS) Replaced Devices Offered Without Cost or With a Credit Policy

Provider Types Affected

This MLN Matters® Article is intended for hospitals that submit Inpatient Prospective Payment System (IPPS) claims to Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

Provider Action Needed

Change Request (CR) 9121 adds the following Medicare Severity Diagnosis-Related Groups (MS-DRGs) to the list of MS-DRGs subject to the policy for replaced devices offered without cost or with a credit:

- MS-DRG 266 (Endovascular Cardiac Valve Replacement w/ Major Complication or Comorbidity (MCC))
- MS DRG 267 (Endovascular Cardiac Valve Replacement w/o MCC)
- MS-DRG 268 (Aortic and Heart Assist Procedures except Pulsation Balloon with MCC)

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- MS-DRG 269 (Aortic and Heart Assist Procedures except Pulsation Balloon without MCC)
- MS-DRG 270 (Other Major Cardiovascular Procedures with MCC)
- MS-DRG 271 (Other Major Cardiovascular Procedures with CC)
- MS-DRG 272 (Other Major Cardiovascular Procedures without CC/MCC)

In addition, MS-DRG 237 and MS-DRG 238 have been removed from the list of MS-DRGs subject to the policy for replaced devices offered without cost or with a credit. Make sure that your billing staffs are aware of the following changes.

Background

A specified (or certain) number of the International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM) procedure codes that previously grouped to MS-DRGs 216-221 (Cardiac Valve & Other Major Cardiothoracic Procedure with and without Cardiac Catheterization, with major complication or comorbidity (MCC), with complication or comorbidity (CC), without CC/MCC, respectively), and were subject to the policy for the Inpatient Prospective Payment System (IPPS) reimbursement of replaced devices offered without cost or with a credit, have been reassigned to new MS-DRGs 266 and 267 effective October 1, 2014.

The Centers for Medicare & Medicaid Services (CMS) also determined that MS-DRGs 266 and 267 were omitted from the list of MS-DRGs subject to the final policy for the IPPS reimbursement of replaced devices offered without cost or with a credit for FY 2015.

Effective October 1, 2015, MS-DRGs 237 and 238 (Major Cardiovascular Procedures with and without MCC, respectively) will be deleted. Procedures that were previously assigned to those MS-DRGs will be reassigned to new MS-DRGs 268 and 269 (Aortic and Heart Assist Procedures Except Pulsation Balloon with MCC and without MCC, respectively) as well as, new MS-DRGs 270-272 (Other Major Cardiovascular Procedures with MCC, with CC, and without CC/MCC, respectively). New MS-DRGs 268-272 will be subject to the policy for replaced devices offered without cost or with a credit effective with discharges on or after October 1, 2015.

CR5860 instructed providers to bill the amount of the credit for a replaced device if the hospital receives a credit that is 50 percent or greater than the cost of the device effective for discharges on or after October 1, 2008. Medicare will reduce the hospital reimbursement, for one of the applicable MS-DRGs listed in the CR5860, by the full or partial credit a provider received for a replaced device. You may review the MLN Matters® article (MM 5860) corresponding to CR5860 at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM5860.pdf> on the CMS website.

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CR9121 adds MS-DRG 266 and MS-DRG 267 to the list of MS-DRGs subject to the policy for replaced devices offered without cost or with a credit and MS-DRGs 237 and 238 have been removed and replaced by new MS-DRGs 268-272.

The complete list of MS-DRGs, including the existing MS-DRGs and the new MS-DRGs subject to the policy for replaced devices offered without cost or with a credit, is displayed in the table attached to CR9121. Note that MACs will revise current edits for replaced devices offered without cost or with a credit based on that table of MS-DRGs subject to the policy. Also, MACs will use the statement covers through date to determine if the MS-DRG is subject to the reduction for replaced devices offered without cost or with a credit.

MACs will adjust claims with discharge dates on or after October 1, 2014, with MS-DRGs 266 & 267, which are being added in CR9121, if you bring such claims to their attention. To expedite processing in view of timely filing edits, MACs shall ensure that hospitals reference CR9121 in the remarks section of applicable adjustments.

Additional Information

The official instruction, CR 9121, issued to your MAC regarding this change is available at <http://www.cms.hhs.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R1494OTN.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-Net/work-MLN/MLNMattersArticles/index.html> under - How Does It Work.

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