

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



**MLN Matters® Number: MM9661**

**Related Change Request (CR) #: CR 9661**

**Related CR Release Date: May 13, 2016**

**Effective Date: July 1, 2016**

**Related CR Transmittal #: R3524CP**

**Implementation Date: July 5, 2016**

## **July 2016 Integrated Outpatient Code Editor (I/OCE) Specifications Version 17.2**

### **Provider Types Affected**

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This MLN Matters® Article is intended for providers 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.

It is also intended for claims for limited services when provided in a Home Health Agency (HHA) not under the Home Health PPS (HH PPS) or claims for services to a hospice patient for the treatment of a non-terminal illness.

### **Provider Action Needed**

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Change Request (CR) 9661 provides the Integrated Outpatient Code Editor (I/OCE) instructions and specifications. Please make sure your billing staff is aware of these updates. Make sure that your billing staffs are aware of these changes.

### **Background**

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CR9661 informs the Part A/B MACs, the HHH MACs, and the Fiscal Intermediary Shared System (FISS) that the I/OCE is being updated for July 1, 2016. The I/OCE routes all institutional outpatient claims (which includes non-OPPS hospital claims) through a single integrated OCE.

The modifications of the I/OCE for the July 2016 v17.2 release are summarized in the following table.

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Type	Effective Date	Edits Affected	Modification
Logic	7/1/2016	95, 96, 97	<p>Implement new edits under the partial hospitalization program logic for weekly hours of service requirements:</p> <ul style="list-style-type: none"> <li>- Edit 95: Partial hospitalization claim span is equal to or more than 4 days with insufficient number of hours of service (RTP) <u>Criteria:</u> A PHP claim From and Through date spans 4 or more days, but less than 8 days, and there are less than 20 hours of services present.</li> <li>- Edit 96: Partial hospitalization interim claim From and Through dates must span more than 4 days (RTP) <u>Criteria:</u> An interim PHP claim (bill type 763 or 133 with condition code 41) From and Through date spans less than 5 days.</li> <li>- Edit 97: Partial hospitalization services are required to be billed weekly (RTP) <u>Criteria:</u> A PHP claim From and Through date spans more than 7 days.</li> </ul> <p>See special processing logic under OPSS (page 7), Appendix C of CR9661-a (Weekly PHP flowchart) and Appendix F(a) (OPSS edits applied by bill type).</p>
Logic	1/1/2016	98	<p>Implement new edit 98: Claim with pass-through device, drug or biological lacks required procedure (RTP).</p> <p><u>Criteria:</u> A pass-through device, drug or biological HCPCS code is present without an associated, required procedure.</p> <p>See special processing logic under OPSS (page 13), Appendix P (flowchart) and Appendix F(a).</p>
Logic	1/1/2015		<p>Add program logic to exclude certain blood products (packed red cells and whole blood) from packaging if reported on a comprehensive APC claim (see special processing logic under OPSS, page 9 and Appendix L).</p>
Logic	4/5/2016	67	<p>Apply mid-quarter FDA approval date for HCPCS code Q5102.</p>
Logic	4/1/2016	94	<p>Apply the edit if new biosimilar HCPCS code Q5102 is reported without the associated new modifier ZB.</p>
Logic	7/1/2016	87	<p>Updates to the skin substitute list (Appendix O: move Q4164 from low cost to high cost).</p>
Logic	1/1/2016	92	<p>Updates to the device and device procedure lists.</p>
Logic and Field Definition	1/1/2016		<p>Change the program logic to provide unique Payer Value Code QU when a condition for device credit is present, reported with condition code 49, 50, or 53 (see special processing logic under OPSS, page 9 and Table 5).</p>

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Type	Effective Date	Edits Affected	Modification
Documentation	1/1/2016		Update Appendix L (Comprehensive APC processing) under the inpatient procedure where the patient expired logic to note non-covered SI values are returned as excluded from packaging under comprehensive APCs, but any associated edits are not returned (documentation only, no change to program logic).
Documentation	1/1/2015	45	Update the reference on page 8 to indicate the change made for edit 45 to include SI = J1 procedures is retroactive to 1/1/2015 (documentation only, no change to program logic).
Documentation	7/1/2016		Update Table 2 with reference information for the reporting of modifiers.
Documentation	1/1/2016		Updated special processing logic on page 9 to include reference to the use of the complexity-adjusted comprehensive APC as the look-up for device credit amount when condition code 49, 50, or 53 are present (documentation only, no change to program logic).
Content	4/1/2016	22	Add modifier ZB (Pfizer/Hospira) to the list of valid modifiers.
Content	1/1/2015		Modify the valid revenue list for revenue code 940 (Other therapeutic services) to have SI value changed to N if reported with a blank HCPCS code.
Content	7/1/2016		Update the following lists for the release (see quarterly data files): <ul style="list-style-type: none"> <li>- Questionable covered service list (edit 12)</li> <li>- Valid revenue code list</li> <li>- Revised files for pass-through offset conditions (edit 98)</li> <li>- Device and device-procedure lists (edit 92)</li> <li>- Skin substitute product lists (edit 87)</li> </ul>
Content	7/1/2016		Make all HCPCS/APC/SI changes as specified by CMS (quarterly data files).
Content	7/1/2016	20, 40	Implement version <b>22.2</b> of the NCCI (as modified for applicable outpatient institutional providers).

### Additional Information

The official instruction, CR9661 issued to your MAC regarding this change is available at <http://www.cms.hhs.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3524CP.pdf>.

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.

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