

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



**News Flash –**

NEW product from the Medicare Learning Network® (MLN):

- [“Mass Immunizers and Roster Billing,”](#) Fact Sheet, ICN 907275, Downloadable

MLN Matters® Number: MM7684

Related Change Request (CR) #: 7684

Related CR Release Date: January 26, 2012

Effective Date: January 1, 2012

Related CR Transmittal #: R2395CP

Implementation Date: July 2, 2012

## **Multiple Procedure Payment Reduction (MPPR) for Physician Services for Certain Diagnostic Imaging Procedures in Critical Access Hospitals (CAH)**

### **Provider Types Affected**

Critical access hospitals (CAHs) submitting claims to Fiscal Intermediaries (FIs) and A/B Medicare Administrative Contractors (MACs) for certain diagnostic imaging procedures provided to Medicare beneficiaries are affected.

### **What You Need to Know**

This article is based on Change Request (CR) 7684, which informs Medicare contractors about the changes necessary to implement Multiple Procedure Payment Reduction (MPPR) for physician services for certain diagnostic imaging procedures in Critical Access Hospitals (CAHs) that have elected the optional method for outpatient billing. Be sure your staffs are aware of these changes.

### **Background**

Section 3134 of the Affordable Care Act added Section 1848(c)(2)(K) of the Social Security Act, which specifies that the Secretary will identify potentially misvalued codes by examining multiple codes that are frequently billed in conjunction with furnishing a single service. As a result of this examination, Medicare is making a change to the MPPR for physician services of certain diagnostic imaging procedures.

#### **Disclaimer**

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CR7684 applies the MPPR to physician services of certain diagnostic imaging procedures billed by CAHs that have elected the optional method for outpatient billing. Payment is made to the CAH for physician services (revenue code (RC) 96X, 97X, or 98X) on bill type 85x based off the Medicare Physician Fee Schedule (MPFS) supplemental file.

When the MPPR is applied, the remittance advice will show a Claim Adjustment Reason Code of 59 (Processed based on the multiple or concurrent procedure rules) and a Group Code of CO (contractual obligation). In addition, deductible and coinsurance are based on the reduced amount, but the 115% add on after deductible and coinsurance still applies.

The MPPR on diagnostic imaging applies when multiple physician services are furnished by the same physician to the same patient in the same session on the same day. Full payment is made for the service that yields the highest payment under the MPFS. Payment is made at 75 percent for the subsequent services furnished by the same physician to the same patient in the same session on the same day.

The current list of codes subject to the MPPR on diagnostic imaging is in Attachment 1 of CR 7684, which may be accessed in the Additional Information section below.

Medicare uses the payment policy indicators on the MPFS to determine if a multiple procedure is authorized for a specific Healthcare Common Procedure Coding System (HCPCS) or Current Procedural Terminology (CPT) code. The MPFS is located at [http://www.cms.hhs.gov/apps/ama/license.asp?file=/pfslookup/02\\_PFSsearch.asp](http://www.cms.hhs.gov/apps/ama/license.asp?file=/pfslookup/02_PFSsearch.asp) on the CMS website. The FIs and MACs have access to the payment policy indicators via the Physician Fee Schedule Payment Policy Indicator File in the fiscal intermediary shared system.

## Additional Information

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The official instruction, CR7684, issued to your FI and A/B MAC regarding this change, may be viewed at <http://www.cms.gov/Transmittals/downloads/R2395CP.pdf> on the CMS website.

If you have any questions, please contact your FI or A/B MAC at their toll-free number, which may be found at <http://www.cms.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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