

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



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MLN Matters® Number: MM8880 **Revised**      Related Change Request (CR) #: CR 8880

Related CR Release Date: September 26, 2014      Effective Date: October 1, 2014

Related CR Transmittal #: R3078CP      Implementation Date: October 6, 2014

### October 2014 Update of the Ambulatory Surgical Center (ASC) Payment System

**Note: CMS revised this article on September 30, 2014, to reflect the revised CR8880 issued on September 26. In the article, the descriptor for HCPCS code C9135 has been revised in the table on page 2 to end with per i.u., instead of per 10 i.u. In addition, the CR release date, transmittal number 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, providers, and suppliers submitting claims to Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

#### Provider Action Needed

Change Request (CR) 8880 describes changes to and billing instructions for various payment policies implemented in the October 2014 ASC payment system update. CR8880 also includes updates to the Healthcare Common Procedure Coding System (HCPCS). Make sure that your billing staffs are aware of these changes.

#### Disclaimer

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## Key Points of CR8880

### New Services

There are no new services assigned for separate payment under the Ambulatory Surgical Center (ASC) Payment System, effective October 1, 2014.

### Billing for Drugs, Biologicals, and Radiopharmaceuticals

#### **a. Drugs and Biologicals with Payments Based on Average Sales Price (ASP) Effective October 1, 2014**

Payments for separately payable drugs and biologicals based on ASPs are updated on a quarterly basis as later quarter ASP submissions become available. In cases where adjustments to payment rates are necessary based on the most recent ASP submissions, CMS will incorporate changes to the payment rates in the October 2014 release of the ASC Drug File. The updated payment rates, effective October 1, 2014, will be included in the October 2014 update of the ASC Addendum BB, which will be posted at [http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ASCPayment/11\\_Addenda\\_Update\\_dates.html](http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ASCPayment/11_Addenda_Update_dates.html) on the Center for Medicare & Medicaid Services (CMS) website.

#### **b. New HCPCS Codes for Drugs and Biologicals Separately Payable under the ASC Payment System Effective October 1, 2014**

Four drugs and biologicals have been granted ASC payment status effective October 01, 2014. These items, along with their descriptors and ASC payment indicators (PIs) are as follows:

#### **New HCPCS Codes for Drugs and Biologicals Separately Payable under the ASC Payment System, Effective October 1, 2014**

HCPCS Code	Short Descriptor	Long Descriptor	ASC PI
C9023	Inj testosterone undecanoate	Injection, testosterone undecanoate, 1 mg	K2
C9025	Injection, ramucirumab	Injection, ramucirumab, 5 mg	K2
C9026	Injection, vedolizumab	Injection, vedolizumab, 1 mg	K2
C9135	Factor ix (Alprolix)	Factor ix (antihemophilic factor, recombinant), Alprolix, per i.u.	K2

**Note:** These HCPCS codes are new codes effective October 1, 2014.

#### **c. Revised ASC Payment Indicator for HCPCS Codes J9160 and J9300**

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Effective October 1, 2014, the payment indicator for HCPCS codes J9160 (Injection, denileukin diftitox, 300 micrograms) and J9300 (Injection, gemtuzumab ozogamicin, 5 mg) will change from K2 to Y5 because the product associated with HCPCS code J9160 is no longer marketed. Effective October 1, 2014, the payment indicator for HCPCS code J9300 (Injection, gemtuzumab ozogamicin, 5 mg) will change from K2 to Y5 because the product associated with HCPCS code J9300 is no longer marketed.

**d. Updated Payment Rate for HCPCS Code J9171, Effective January 1, 2014 through March 31, 2014**

The payment rate for one HCPCS code was incorrect in the January 2014 ASC Drug File. The corrected payment rate is listed in the following table, and has been installed in the revised January 2014 ASC Drug File, effective for services furnished on January 1, 2014, through March 31, 2014. Suppliers who think they may have received an incorrect payment for dates of service January 1, 2014, through March 31, 2014, may request their MAC to adjust the previously processed claims.

**Updated Payment Rate for HCPCS Code J9171  
Effective January 1, 2014, through March 31, 2014**

HCPCS Code	Short Descriptor	Corrected Payment Rate	ASC PI
J9171	Docetaxel injection	4.63	K2

**e. Updated Payment Rates for Certain HCPCS Codes Effective April 1, 2014, through June 30, 2014**

The payment rate for three HCPCS codes were incorrect in the April 2014 ASC Drug File. The corrected payment rate is listed in the following table, and has been installed in the revised April 2014 ASC Drug File, effective for services furnished on April 1, 2014, through June 30, 2014. Suppliers who think they may have received an incorrect payment for dates of service April 1, 2014, through June 30, 2014, may request their MAC to adjust the previously processed claims.

**Updated Payment Rates for Certain HCPCS Codes  
Effective April 1, 2014, through June 30, 2014**

HCPCS Code	Short Descriptor	Corrected Payment Rate	ASC PI
J7335	Capsaicin 8% patch	25.49	K2
J8700	Temozolomide	6.94	K2

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HCPCS Code	Short Descriptor	Corrected Payment Rate	ASC PI
J9171	Docetaxel injection	4.35	K2

**f. Updated Payment Rates for Certain HCPCS Codes Effective July 1, 2014, through September 30, 2014**

The payment rate for two HCPCS codes were incorrect in the July 2014 ASC Drug File. The corrected payment rates are listed in the following table, and have been installed in the revised July 2014 ASC Drug File, effective for services furnished on July 1, 2014, through September 30, 2014. Suppliers who think they may have received an incorrect payment for dates of service July 1, 2014, through September 30, 2014, may request their MAC to adjust the previously processed claims.

**Updated Payment Rates for Certain HCPCS Codes  
Effective July 1, 2014, through September 30, 2014**

HCPCS Code	Short Descriptor	Corrected Payment Rate	ASC PI
J9047	Injection, carfilzomib, 1 mg	29.67	K2
J9315	Romidepsin injection	270.24	K2

### Additional Information

The official instruction, CR 8880, issued to your MAC regarding this change, is available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3078CP.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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