

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 3078	Date: September 25, 2014
	Change Request 8880

Transmittal 3025, dated August 15, 2014, is being rescinded and replaced by Transmittal 3078, dated September 25, 2014 to correct the long descriptor associated with C9135 from “per 10 i.u.” to “per i.u.” in Attachment A- Table 1. All other information remains the same.

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

I. SUMMARY OF CHANGES: This Recurring Update Notification describes changes to and billing instructions for various payment policies implemented in the October 2014 ASC payment system update. This Recurring Update Notification applies to Chapter 14, section 10. As appropriate, this notification also includes updates to the Healthcare Common Procedure Coding System (HCPCS).

EFFECTIVE DATE: October 1, 2014

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: October 6, 2014

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC statement of Work. The contractor is not obliged to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Recurring Update Notification

Attachment - Recurring Update Notification

Pub. 100-04	Transmittal: 3078	Date: September 25, 2014	Change Request: 8880
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Transmittal 3025, dated August 15, 2014, is being rescinded and replaced by Transmittal 3078, dated September 25, 2014 to correct the long descriptor associated with C9135 from “per 10 i.u.” to “per i.u.” in Attachment A- Table 1. All other information remains the same.

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

EFFECTIVE DATE: October 1, 2014

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: October 6, 2014

I. GENERAL INFORMATION

A. Background: This Recurring Update Notification describes changes to and billing instructions for various payment policies implemented in the October 2014 ASC payment system update. This Recurring Update Notification applies to Chapter 14, section 10. As appropriate, this notification also includes updates to the Healthcare Common Procedure Coding System (HCPCS).

B. Policy:

1. New Services

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

2. 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 on the CMS Web site.

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 indicator, are identified in Table 1, Attachment A.

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

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 codes J9300 (Injection, gemtuzumab ozogamicin, 5 mg) will change from K2 to Y5 because the product associated with HCPCS code J9300 is no longer marketed.

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared- System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
	email communication from CMS.									
8880.2	Medicare contractors shall download and install the October 2014 ASC DRUG file. FILENAME: <u>MU00.@BF12390.ASC.CY14.DRUG.OCTA.V0924</u> NOTE: Date of retrieval will be provided in a separate email communication from CMS.		X						BCRC , VDC	
8880.3	Medicare contractors shall download and install a revised January 2014 ASC DRUG file. FILENAME: MU00.@BF12390.ASC.CY14.DRUG.JAND.V0924 NOTE: Date of retrieval will be provided in a separate email communication from CMS.		X						BCRC , VDC	
8880.3.1	Medicare contractors shall adjust as appropriate claims brought to their attention that: 1) Have dates of service January 1, 2014 through March 31, 2014 and; 2) Were originally processed prior to the installation of the revised January 2014 ASC DRUG File.		X							
8880.4	Medicare contractors shall download and install a revised April 2014 ASC DRUG file. FILENAME: MU00.@BF12390.ASC.CY14.DRUG.APRB.V0924 NOTE: Date of retrieval will be provided in a separate email communication from CMS.		X						BCRC , VDC	
8880.4.1	Medicare contractors shall adjust as appropriate claims brought to their attention that: 1) Have dates of service April 1, 2014 through June 30, 2014 and;		X							

Number	Requirement	Responsibility							
		A/B MAC		D M E M A C	Shared- System Maintainers				Other
		A	B		H H H	F I S S	M C S	V M S	
	2) Were originally processed prior to the installation of the revised April 2014 ASC DRUG File.								
8880.5	Medicare contractors shall download and install a revised July 2014 ASC DRUG file. FILENAME: MU00.@BF12390.ASC.CY14.DRUG.JULB.V0924 NOTE: Date of retrieval will be provided in a separate email communication from CMS.		X						BCRC ,VDC
8880.5.1	Medicare contractors shall adjust as appropriate claims brought to their attention that: 1) Have dates of service July 1, 2014 through September 30, 2014 and; 2) Were originally processed prior to the installation of the revised July 2014 ASC DRUG File.		X						
8880.6	CWF shall add TOS=F to HCPCS, C9023, C9025, C9026, C9135 (listed in table 1 of Attachment A) for claims with DOS on or after October 1, 2014.							X	BCRC
8880.7	Contractors shall modify the procedure code file and TOS tables for HCPCS, C9023, C9025, C9026, C9135 (listed in table 1 of Attachment A) for claims with DOS on or after October 1, 2014.		X						BCRC
8880.8	Contractors and CWF shall end date the TOS F records for HCPCS J9160 and J9300, in their systems effective September 30, 2014.		X					X	BCRC

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E D I
		A	B	H H H		

Number	Requirement	Responsibility				
		A/B MAC			D M E	C E D I
		A	B	H H H	M A C	
8880.9	MLN Article: A provider education article related to this instruction will be available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.		X			

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements:

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
1	Attachment A. – Tables for the Policy Section
2	Attachment A. – Tables for the Policy Section
3	Attachment A. – Tables for the Policy Section
3.1	Attachment A. – Tables for the Policy Section
4	Attachment A. – Tables for the Policy Section
4.1	Attachment A. – Tables for the Policy Section
5	Attachment A. – Tables for the Policy Section
5.1	Attachment A. – Tables for the Policy Section
6	Attachment A. – Tables for the Policy Section
7	Attachment A. – Tables for the Policy Section

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): MARK BALDWIN, 410-786-8139 or mark.baldwin@cms.hhs.gov (Carrier/ AB MAC Claims Processing Issues), YVETTE COUSAR, 410-786-2160 or yvette.cousar@cms.hhs.gov (Carrier/ AB MAC Claims Processing Issues), CHUCK BRAVER, 410-786-6719 or chuck.braver@cms.hhs.gov (ASC Payment Policy)

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR) or Contractor Manager.

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 1

Attachment A – Tables for the Policy Section

Table 1 – 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.

Table 2 – 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

Table 3 – 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
J9171	Docetaxel injection	4.35	K2

Table 4 – 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