

CMS Manual System

Pub 100-02 Medicare Benefit Policy

Transmittal 41

Department of Health & Human Services (DHHS)

Centers for Medicare & Medicaid Services (CMS)

Date: DECEMBER 16, 2005

Change Request 4201

SUBJECT: Telehealth Originating Site Facility Fee Payment Amount Update

I. SUMMARY OF CHANGES: As required by section 1834(m) of the Social Security Act, the Medicare telehealth originating site facility fee as described by HCPCS code Q3014 was increased by the calendar year 2006 Medicare Economic Index of 2.8 percent. Therefore, the calendar year 2006 telehealth originating site facility fee is \$22.47.

NEW/REVISED MATERIAL

EFFECTIVE DATE: **January 1, 2006**

IMPLEMENTATION DATE: **January 18, 2006**

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

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

III. FUNDING:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2006 operating budgets.

IV. ATTACHMENTS:

Recurring Update Notification

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

Attachment – Recurring Update Notification

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SUBJECT: Telehealth Originating Site Facility Fee Payment Amount Update

I. GENERAL INFORMATION

A. Background: Section 1834(m) of the Social Security Act (the Act) establishes the payment amount for the Medicare telehealth originating site facility fee for telehealth services provided from October 1, 2001, through December 31 2002, at \$20. For telehealth services provided on or after January 1 of each subsequent calendar year, the telehealth originating site facility fee is increased as of the first day of the year by the percentage increase in the Medicare Economic Index (MEI) as defined in §1842(i)(3) of the Act. The MEI increase for 2006 is 2.8 percent.

B. Policy: For calendar year 2006, the payment amount for HCPCS code “Q3014, telehealth originating site facility fee” is 80 percent of the lesser of the actual charge or \$22.47. The beneficiary is responsible for any unmet deductible amount or coinsurance.

The Medicare telehealth originating site facility fee and MEI increase by the applicable time period is shown below.

<u>Facility Fee</u>	<u>MEI Increase</u>	<u>Period</u>
\$20.00	N/A	10/01/2001 – 12/31/2002
\$20.60	3.0%	01/01/2003 – 12/31/2003
\$21.20	2.9%	01/01/2004 – 12/31/2004
\$21.86	3.1%	01/01/2005 – 12/31/2005
\$22.47	2.8%	01/01/2006 – 12/31/2006

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
4201.1	Local part B carriers and Intermediaries shall pay for the Medicare telehealth originating site facility fee as described by HCPCS code Q3014 at 80% of the lesser of the actual charge or \$22.47.	X		X					

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
4201.2	A provider education article related to this instruction will be available at www.cms.hhs.gov/medlearn/matters shortly after the CR is released. You will receive notification of the article release via the established "medlearn matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin and incorporated into any educational events on this topic. Contractors are free to supplement Medlearn Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program	X		X					

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
	correctly.									

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date*: January 1, 2006</p> <p>Implementation Date: January 18, 2006</p> <p>Pre-Implementation Contact(s): Craig Dobyski, Craig.Dobyski@cms.hhs.gov; 410-786-4584.</p> <p>Post-Implementation Contact(s): Appropriate Regional Office.</p>	<p>No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.</p>
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