

CMS Manual System

Pub 100-04 Medicare Claims Processing

Transmittal 857

Department of Health & Human Services (DHHS)

Centers for Medicare & Medicaid Services (CMS)

Date: FEBRUARY 17, 2006

Change Request 4333

SUBJECT: Medicare Part B Drug Pricing Update - Payment Limit for J7620 (Albuterol and Ipratropium Bromide, non-compounded)

I. SUMMARY OF CHANGES: This CR will correct the payment allowance limit for J7620 (Albuterol and Ipratropium Bromide, non-compounded).

NEW/REVISED MATERIAL

EFFECTIVE DATE: January 1, 2006

IMPLEMENTATION DATE: March 17, 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 – *Only One Per Row.*

R/N/D	Chapter / Section / SubSection / Title
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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:

One-Time Notification

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

Attachment – One-Time Notification

Pub. 100-04	Transmittal: 857	Date: February 17, 2006	Change Request 4333
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SUBJECT: Medicare Part B Drug Pricing Update—Payment Limit for J7620 (Albuterol and Ipratropium Bromide, non-compounded)

I. GENERAL INFORMATION

A. Background: The payment allowance limit contained in the January 2006 Quarterly Average Sales Price Medicare Part B Pricing File for J7620 is incorrect. This instruction informs the Durable Medical Equipment Regional Carriers and Regional Home Health Intermediaries to correct the payment allowance limit for J7620 (Albuterol and Ipratropium Bromide, non-compounded) for dates of service on or after January 1, 2006, and on or before March 31, 2006.

B. Policy: For dates of service on or after January 1, 2006, and on or before March 31, 2006, the payment allowance limit for J7620 is listed below.

HCPCS	Long Description	HCPCS Code Dosage	Payment Allowance Limit
J7620	ALBUTEROL, UP TO 2.5 MG AND IPRATROPIUM BROMIDE, UP TO 0.5 MG, NON-COMPOUNDED INHALATION SOLUTION, ADMINISTERED THROUGH DME	ALBUTEROL, UP TO 2.5 MG AND IPRATROPIUM BROMIDE, UP TO 0.5 MG	\$1.024

Contractors must educate providers on the appropriate billing of units of J7620 for the applicable billing formats.

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 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	
4333.1	Contractors shall use the payment allowance limit for HCPCS drug code J7620 specified in the table under section B of this instruction for (1) claims where the contractors are asked to		X		X				

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H 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	
	retroactively adjust claims processed with the January 2006 Medicare Part B ASP Pricing File and (2) claims with dates of service January 1, 2006 – March 31, 2006.									
4333.2	Contractors shall not search and adjust claims that have been processed prior to the implementation date of this notice unless brought to their attention.		X		X					

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H 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	
4333.3	Contractors shall educate providers on the appropriate billing of units of J7620 for the applicable billing formats.		X		X					
4333.4	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		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	
	billing and administering the Medicare program 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: March 17, 2006</p> <p>Pre-Implementation Contact(s): Jennifer Fan, 410-786-1100 or Catherine Jansto, 410-786-7762</p> <p>Post-Implementation Contact(s):</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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