
Program Memorandum Intermediaries/Carriers

Department of Health and
Human Services (DHHS)
HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

Transmittal AB-01-45

Date: MARCH 15, 2001

CHANGE REQUEST 1528

SUBJECT: Retention of HCPCS Level III Codes

The Secretary of Health and Human services has been instructed through the Consolidated Appropriations Act of 2001, Public Law 106-554 (enacted December 21, 2000), to maintain and continue the use of level III codes of the HCPCS coding system (this system was in effect on August 16, 2000) through December 31, 2003, and shall make such codes available to the public.

This Program Memorandum (PM) instructs you to take the following steps to implement the law:

- Maintain and accept current level III HCPCS codes and or modifiers until December 31, 2003. You are not allowed to create any new HCPCS Level III codes and or modifiers.
- Reinstate any level III HCPCS codes and or modifiers eliminated after August 16, 2000. The only level III code deleted since August 16, 2000 is: ZZ010 Transtracheal oxygen catheter for patient owned equipment. This code should be reinstated only by the carrier, or carriers that used it before it was eliminated. (**NOTE:** Code ZZ010 was cross walked to A4608. A4608 should also remain as an active code.)
- Publish on your website level III HCPCS codes, modifiers, and their descriptors that were in effect August 16, 2000. The website should contain this information on or before the implementation date of this instruction.
- Should you have the need for establishing a temporary national code, submit your request to your regional office. The regional office will then submit your recommendation to central office for approval.
- Further instructions for the elimination of local codes and modifiers will be addressed under separate cover. These instructions will provide guidance for contractors to prepare for full implementation of the Health Insurance Portability Accountability Act.

The effective date for this PM is January 1, 2001.

The implementation date for this PM is April 29, 2001.

These instructions should be implemented within your current operating budget.

This PM may be discarded after January 1, 2004.

If you have any questions, contact your local regional office.

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