

Program Memorandum Intermediaries/Carriers

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

Transmittal AB-01-81

Date: MAY 15, 2001

CHANGE REQUEST 1670

SUBJECT: Update of Codes and Payments for Ambulatory Surgical Centers (ASCs)

This Program Memorandum (PM) adds some codes for which the Medicare program provides a facility fee payment when they are performed in Medicare-certified ASCs. These codes represent services that have been continuously covered and paid for in ASCs.

In keeping with our practice of providing continued coverage and payment for procedures or services performed in ASCs that the American Medical Association Common Physician's Current Procedural Terminology (CPT) revises in its annual coding revisions, this PM lists changes that became effective in CPT, January 1, 2001.

This PM will provide a facility payment for breast biopsy codes that were further refined by CPT from one single covered ASC code that included imaging guidance into two new codes. A covered laparoscopy procedure was also refined. Lastly, a new eye cataract service previously covered in an ASC under a different code (66984) has been further refined by CPT into a new code.

Re-open denied claims when brought to your attention.

Effective for services performed on or after January 1, 2001, the following codes will be paid as an ASC facility payment:

Added Code	Payment Group
19102	2
19103	2
58353	4
66982	8

Apply this policy to claims with dates of service on or after January 1, 2001.

Until the new ASC rates are loaded into your claims production environment, you may choose whichever one of the following interim options that is cost effective for you for handling ASC facility claims received for the four codes listed above for dates of service on or after January 1, 2001:

Option 1: Hold claims for ASC facility services furnished on or after January 1, 2001, until the updated ASC facility rates and new wage indexes are installed in your claim production system. If you choose to hold ASC facility claims for dates of service on or after January 1, 2001, you may split claims received during that period, as necessary. If applicable, pay interest on clean ASC claims delayed beyond statutory claims processing timeliness standards.

Option 2: Process ASC facility claims for dates of service on or after January 1, 2001, using last year's (FY 2000) rates and wage indexes. If you choose option 2, you must go back and adjust ASC facility claims paid for services furnished on or after January 1, 2001, that were processed prior to the installation of the updated rates and wage indices.

In addition, §103 of the Benefits Improvement and Protection Act of 2000 requires us to provide coverage for screening colonoscopy for individuals not at high risk for colorectal cancer. Therefore, the ASC list code G0121 Screening Colonoscopy for individuals not at high risk will be effective July 1, 2001.

Effective for services performed on or after July 1, 2001, the following code will be paid as an ASC facility payment:

Added Code	Payment Group
G0121	2

Apply this policy to claims with dates of service on or after July 1, 2001.

Until the new ASC rates are loaded into your claims production environment, you may choose whichever one of the following interim options that is cost effective for you for handling ASC facility claims received for G0121 listed above for dates of service on or after July 1, 2001:

Option 1: Hold claims for ASC facility services furnished on or after July 1, 2001, until the updated ASC facility rates and new wage indexes are installed in your claim production system. If you choose to hold ASC facility claims for dates of service on or after July 1, 2001, you may split claims received during that period, as necessary. If applicable, pay interest on clean ASC claims delayed beyond statutory claims processing timeliness standards.

Option 2: Process ASC facility claims for dates of service on or after July 1, 2001, using last year's (FY 2000) rates and wage indexes. If you choose option 2, you must go back and adjust ASC facility claims paid for services furnished on or after July 1, 2001, that were processed prior to the installation of the updated rates and wage indices.

NOTE: The Common Working File (CWF) will be impacted by all the above mentioned changes. CWF will add type of service F to these codes.

NOTE: Intermediaries that service only provider subject to Outpatient Prospective Payment System are not impacted by this PM.

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

The implementation date for this PM is October 1, 2001. Carriers may use discretion and implement earlier than October 1, 2001, but not before July 1, 2001.

These instructions should be implemented within your current operating budget.

This PM may be discarded after December 31, 2002.

If you have any questions, contact your regional office ASC coordinator.