CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1083	**Date: OCTOBER 27, 2006**
	Change Request 5357

The attached instruction was previously communicated as Sensitive via RO-4361, dated August 11, 2006. The attached instruction is no longer sensitive. The Transmittal Number, Issue Date and all other information remain the same.

Subject: Release of a Separate File Containing the Payment Cap for the Technical Component (TC) of Imaging Procedures for Disclosure

I. SUMMARY OF CHANGES: The purpose of this instruction is to notify carriers to disclose the cap payment amount for the technical component and global portion of imaging services. Section 5102(b) of the Deficit Reduction Act of 2005 requires a payment cap on the TC of imaging services. Carriers need to disclose this amount as part of their normal disclosure process.

New / Revised Material
Effective Date: October 27, 2006
Implementation Date: November 8, 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
N/A	

III. FUNDING:
No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2007 operating budgets.

IV. ATTACHMENTS:

One-Time Notification

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

Attachment – One-Time Notification

The attached instruction was previously communicated as Sensitive via RO-4361, dated August 11, 2006. The attached instruction is no longer sensitive. The Transmittal Number, Issue Date and all other information remain the same.

Pub. 100-04	Transmittal: 1083	Date: October 27, 2006	Change Request: 5357

SUBJECT: Release of a Separate File Containing the Payment Cap for the Technical Component (TC) of Imaging Procedures for Disclosure

Effective Date: October 27, 2006

Implementation Date: November 8, 2006.

I. GENERAL INFORMATION

A. Background: Section 5102(b) of the Deficit Reduction Act of 2005 requires a payment cap on the TC of imaging procedures. Change Request 5141, Transmittal 1017, released on July 28, 2006, instructs carriers how to implement this provision. For TC of imaging services including the TC portions of the global imaging services, the payment will be capped based on the Outpatient Prospective Payment System (OPPS).

B. Policy: The Medicare Physicians Fee Schedule Database (MPFSDB) will contain both the regular MPFSDB fee schedule amount and the OPPS payment for the TC and global portion of imaging procedures. To determine if the payment is to be capped, the MPFS amount must be compared to the OPPS payment amount and the payment is made at the lower of the two. If the lowest amount is the OPPS payment amount, then the service is deemed to be subject to OPPS payment cap as required by Section 5102(b) of the DRA. For this year only CMS will do the comparison and provide the carriers with an Excel file to use for disclosure.

Imaging services on the MPFSDB that are deemed subject to this cap must have the cap amount disclosed in addition to the MPFSDB payment amount.

The purpose of this instruction is to notify carriers to disclose the cap amount for the TC and global portion of imaging services. In order to perform the disclosure without system changes, for this year's update only, CMS will provide an Excel file for the carriers that will contain the imaging cap amount for the procedure deemed subject to this cap. As part of their normal disclosure process usually performed in November, carriers can use this file for disclosing the information on their Web sites **after the final rule is put on display.** The fees become effective on January 1, 2007.

CMS released a test file containing the OPPS cap payment on September 19, 2006.

II. BUSINESS REQUIREMENTS

Use"Shall" to denote a mandatory requirement

Requirement Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A/B MAC	DME MAC	FI	CARRIER	DMERC	RHHI	Shared-System Maintainers				OTHER
								FISS	MCS	VMS	CWF	
5357.1.	Contractors shall download the Excel file which will be released no later than 48 hours after the final 2007 MPFSDB is released in late October. (CMS will send an email notice to carriers when the Excel file is available along with the file name.)	X			X							
5357.2.	Contractors shall disclose the cap amounts for imaging procedures for each locality within their jurisdiction for those codes where the cap amounts are lower than the MPFSDB amounts. These codes will be contained in the Excel file.	X			X							
5357.2.1.	The disclosure of the cap amounts for imaging procedures shall be separate from the normal MPFSDB disclosure. **NOTE:** As part of their normal disclosure process, carriers shall calculate the non-par and limiting charge fees and include them in the disclosure.	X			X							
5357.3	Contractors shall disclose the cap amount on their Web sites **after** the MPFS final rule is put on display. CMS will notify you via an email when the MPFS final rule is on display.	X			X							CMS

III. PROVIDER EDUCATION

Requirement Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A/B MAC	DME MAC	FI	CARRIER	DMERC	RHHI	Shared-System Maintainers				OTHER
								FISS	MCS	VMS	CWF	
	NONE (CMS will prepare a separate Special Edition MLN Article for											

Requirement Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A/B MAC	DME MAC	FI	CARRIER	DMERC	RHHI	Shared-System Maintainers				OTHER
								FISS	MCS	VMS	CWF	
	provider education after the MPFS final regulation is put on display.)											

IV. SUPPORTING INFORMATION

A. For any recommendations and supporting information associated with listed requirements, use the box below:
Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
	None.

B. For all other recommendations and supporting information, use the space below: N/A

V. CONTACTS

Pre-Implementation Contact(s): For questions regarding the file, contact:
Mary Anne Stevenson, 410-786-1818, mary.stevenson@cms.hhs.gov

For Part B claims processing questions, contact:
Kathy Kersell, 410-786-2033, kathleen.kersell@cms.hhs.gov

Post-Implementation Contact(s): Appropriate regional office.

VI. FUNDING

A. *For TITLE XVIII Contractors*, use only one of the following statements:
No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2007 operating budgets.

B. *For Medicare Administrative Contractors (MAC)*, use only one of the following statements:

The contractor is hereby advised that this constitutes technical direction as defined in your contract. We do not construe this as a change to the Statement of Work (SOW). The contractor is not obligated to incur costs in excess of the amounts specified 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.