CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1159	**Date: December 21, 2012**
	Change Request 7888

Transmittal 1135, dated November, 1, 2012, is being rescinded and replaced by Transmittal 1159, dated December 21, 2012 to include the HCPCS codes. All other information remains the same. This Transmittal is no longer sensitive and may now be posted to the Internet.

SUBJECT: New Healthcare Common Procedure Coding System (HCPCS) Codes for Replacement Accessories and Supplies for External Ventricular Assist Devices or Any Ventricular Assist Device (VAD) for Which Payment Was Not Made Under Medicare Part A

I. SUMMARY OF CHANGES: This instruction enables the A/B MACs, Fiscal Intermediaries and Carriers to make the necessary changes in order to process claims for external VADs or VADs for which payment was not made under Medicare Part A using new HCPCS codes.

EFFECTIVE DATE: April 1, 2013
IMPLEMENTATION DATE: April 1, 2013

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:
For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:
No additional funding will be provided by CMS; Contractors activities are to be carried out with their operating budgets

For Medicare Administrative Contractors (MACs):
The Medicare Administrative contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC statement of Work. The contractor is not obliged to incur costs in excess of the amounts allotted 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.

IV. ATTACHMENTS:
One-Time Notification
**Unless otherwise specified, the effective date is the date of service.*

Attachment – One-Time Notification

Pub. 100-20	Transmittal: 1159	Date: December 21, 2012	Change Request: 7888

Transmittal 1135, dated November, 1, 2012, is being rescinded and replaced by Transmittal 1159, dated December 21, 2012 to include the HCPCS codes. All other information remains the same. This Transmittal is no longer sensitive and may now be posted to the Internet.

SUBJECT: New Healthcare Common Procedure Coding System (HCPCS) Codes for Replacement Accessories and Supplies for External Ventricular Assist Devices or Any Ventricular Assist Device (VAD) for Which Payment Was Not Made Under Medicare Part A

Effective Date: April 1, 2013

Implementation Date: April 1, 2013

I. GENERAL INFORMATION

A. Background: Transmittal 613, Change Request (CR) 3931, issued on July 22, 2005 provided instructions to the intermediaries and carriers on processing claims for replacement accessory and supplies for external VADs and for VADs for which payment was not made under Medicare Part A. CR 3931 instructed that claims for replacement accessories and supplies for VADs implanted in patients who were not eligible for coverage under Medicare Part A or had other insurance that paid for the device and hospital stay at the time that the device was implanted should be billed using HCPCS code L9900. Additionally, in rare instances, replacement accessory and supply claims for external VADs used by patients who are discharged from the hospital or an emergency backup controller for an external VAD were also to be billed using HCPCS code L9900.

Since the implementation of CR 3931, it has been brought to the attention of the Centers for Medicare and Medicaid Services (CMS) that use of HCPCS code L9900 in the above circumstances presents claims processing issues.

This instruction enables the A/B MACs, Fiscal Intermediaries and Carriers to make the necessary changes in order to process replacement accessory and supply claims for external VADs or VADs for which payment was not made under Medicare Part A using a new HCPCS code.

B. Policy: Payment on a fee schedule basis is required for prosthetic devices by Section 1834(h) of the Social Security Act. The following codes are being added December 2012 to the HCPCS Quarterly Update with an effective date of April 1, 2013:

Q0507 Miscellaneous Supply Or Accessory For Use With An External Ventricular Assist Device

Q0509 Miscellaneous Supply Or Accessory For Use With Any Implanted Ventricular Assist Device For Which Payment Was Not Made Under Medicare Part A

Effective April 1, 2013, claims for replacement of accessories and supplies for VADs implanted in patients who were not eligible for coverage under Medicare Part A or had other insurance that paid for the device and hospital stay at the time that the device was implanted, but are now eligible for coverage of the replacement supplies and accessories under Part B should be submitted using HCPCS code Q0509 and will be manually reviewed.

In rare instances it may be appropriate to pay for replacement of supplies and accessories for external VADs used by patient who are discharged from the hospital. In addition, in some rare instances, it may be necessary for a patient to have an emergency backup controller for an external VAD. Coverage of these items is at the discretion of the contractor. Claims for replacement of supplies and accessories used with an

external VAD that are furnished by suppliers should be billed to the local carriers. Claims for replacement of supplies and accessories used with an external VAD that are furnished by hospitals and other providers should be billed to the intermediaries. Effective April 1, 2013, these items should be billed using code Q0507 so that the claims can be manually reviewed.

In order to clarify the descriptor of miscellaneous VAD accessory and supply code Q0505, the following new code is being added December 2012 to the HCPCS Quarterly Update with an effective date of April 1, 2013:

Q0508 Miscellaneous Supply or Accessory For Use With An Implanted Ventricular Assist Device

Code Q0508 clarifies that the miscellaneous supplies and accessories billed under this code are for use with implanted ventricular assist devices. Code Q0508 replaces code Q0505 that is discontinued March 31, 2013.

Please note that when determined to be medically necessary, dressings used with VADs are covered under the prosthetic device benefit as a supply necessary for the effective use of the VAD/prosthetic device. Claims for dressings necessary for the effective use of a VAD should be billed using the appropriate miscellaneous VAD supply code, depending upon whether the patient was eligible for coverage under Medicare Part A at the time that the VAD was implanted. The claims processing jurisdiction for dressings used with VADs is identical to that of other VAD replacement supplies and accessories and does not fall under DME MAC jurisdiction.

II. BUSINESS REQUIREMENTS TABLE

Use "shall" to denote a mandatory requirement.

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
7888.1	Contractors shall add the HCPCS codes listed below to their claims processing systems. Q0507 Miscellaneous Supply Or Accessory For Use With An External Ventricular Assist Device Short descriptor: Misc sup/acc ext vad Q0509 Miscellaneous Supply Or Accessory For Use With Any Implanted Ventricular Assist Device For Which Payment Was Not Made Under Medicare Part A Short descriptor: Mis sup/ac imp vad nopay med Q0508 Miscellaneous Supply or Accessory For Use With An Implanted Ventricular Assist Device	X		X	X	X					

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
	Short descriptor: Misc sup/acc imp vad TOS = P BETOS = DIF HCPCS Coverage Indicator = D HCPCS Pricing Indicator = 46 Claims for replacement of supplies and accessories used with the VAD that are furnished by suppliers should be billed to the local carriers. Claims for replacement of supplies and accessories that are furnished by providers (bill types 12X, 13X, 22X, 23X, 32X, 33X, 34X, 74X and 85X) should be billed to the FIs.										
7888.1.1	FIs shall require hospitals and other providers to bill HCPCS codes Q0507, Q0509, and Q0508 with revenue code 0274.	X		X		X					
7888.1.2	The FI system maintainer shall set up codes Q0507, Q0509, and Q0508 to default to the 01 locality for easier fee rate downloading, maintenance and application.						X				
7888.2	HCPCS codes Q0507, Q0509, and Q0508 shall be added to CWF categories 3 and 67, effective April 1, 2013.									X	
7888.3	Contractors shall process claims for replacement of supplies and accessories for external VADs billed under code Q0507. Payment shall be based on the contractor's individual consideration of each claim when the contractor lacks sufficient information to develop a local fee schedule amount for an item.	X		X	X	X					
7888.4	Contractors shall process claims for replacement of supplies and accessories for VADs which were not covered under Part A when they are billed under code Q0509. Payment will be based on the contractor's individual consideration of each claim when the contractor lacks sufficient information to develop a local fee schedule amount for an item.	X		X	X	X					
7888.5	CWF shall update all edits for VAD supplies and accessories that currently reference code Q0505 with code Q0508.									X	
7888.6	Contractors shall update their systems to discontinue code Q0505 effective for dates of service on or after April 1, 2013.	X		X	X	X				X	

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
7888.7	A provider education article related to this instruction will be available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Index.html shortly after the CR is released. You will receive notification of the article release via the established "MLN 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 one week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X		X	X	X					

IV. SUPPORTING INFORMATION

Section 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:
7888.1-7888.5	For more information on ventricular assist device replacement supply and accessory code processing, see Change Request (CR) 3931, Transmittal 613, issued July 22, 2005.
7888.3	This requirement supersedes business requirement 3931.8 in CR 3931.
7888.4	This requirement supersedes business requirement 3931.9 in CR 3931.

Section B: For all other recommendations and supporting information, use this space: N/A

V. CONTACTS

Pre-Implementation Contact(s): Michelle Peterman at Michelle.Peterman@cms.hhs.gov, Karen Jacobs at Karen.Jacobs@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR) or Contractor Manager, as applicable.

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs),* and/or *Carriers,* use only one of the following statements:

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

Section B: ***For Medicare Administrative Contractors (MACs),*** **include the following statement:**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted 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.