

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 3578	Date: August 5, 2016
	Change Request 9647

SUBJECT: Multiple Procedure Payment Reduction (MPPR) on the Professional Component (PC) of Certain Diagnostic Imaging Procedures

I. SUMMARY OF CHANGES: Section 502(a)(2) of the Consolidated Appropriations Act of 2016 revised the Multiple Procedure Payment Reduction (MPPR) for the Professional Component (PC) of the second and subsequent procedures from 25 percent to 5 percent of the physician fee schedule amount.

EFFECTIVE DATE: January 1, 2017

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

IMPLEMENTATION DATE: January 3, 2017

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
R	4/250.16/Multiple Procedure Payment Reduction (MPPR) on Certain Diagnostic Imaging Procedures Rendered by Physicians

III. FUNDING:

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 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.

IV. ATTACHMENTS:

**Business Requirements
Manual Instruction**

Attachment - Business Requirements

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SUBJECT: Multiple Procedure Payment Reduction (MPPR) on the Professional Component (PC) of Certain Diagnostic Imaging Procedures

EFFECTIVE DATE: January 1, 2017

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IMPLEMENTATION DATE: January 3, 2017

I. GENERAL INFORMATION

A. Background: Medicare currently applies a multiple procedure payment reduction (MPPR) of 25 percent to the professional component (PC) of certain diagnostic imaging procedures. The reduction applies to PC only services, and the PC portion of global services, for the procedures with a multiple surgery value of '4' in the Medicare Fee Schedule database (MPFSDB).

B. Policy: We currently make full payment for the PC of the highest priced procedure and payment at 75 percent for the PC of each additional procedure, when furnished by the same physician (or physician in the same group practice) to the same patient, in the same session on the same day.

Section 502(a)(2) of the Consolidated Appropriations Act of 2016 revised the MPPR for the PC of the second and subsequent procedures from 25 percent to 5 percent of the physician fee schedule amount. The MPPR on the technical component (TC) of imaging remains at 50 percent.

The current payment, and payment as of January 1, 2017, are summarized in the attached example.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility										
		A/B MAC		D M E	Shared- System Maintainers				Other			
		A	B		H H H	M A C	F I S S	M C S		V M S	C W F	
9647.1	For services furnished on or after dates of service January 1, 2017, contractors shall pay 95 percent of the fee schedule amount for the PC of each additional procedure furnished by the same physician (or physician in the same group practice) to the same patient, in the same session on the same day.	X	X			X						
9647.2	Contractors shall change the reduction value to 5 percent for multiple procedure indicator 4 in field 21 of the MPFSDB and apply the 5 percent reduction to the PC of services performed on or after January 1, 2017.		X			X						

Number	Requirement	Responsibility								
		A/B MAC		H H H	M A C	D M E	Shared- System Maintainers			Other
		A	B				F I S S	M C S	V M S	
9647.3	Contractors shall identify TOB 85X with revenue codes 96x, 97x and/or 98x that contain more than one line item, same date of service with CPT/HCPCS codes assigned both a multiple procedure indicator equal to "4" and a diagnostic Imaging Family indicator "88" on the PFS Payment Policy Indicator.	X					X			
9647.3.1	For services performed on and after January 1, 2017, contractors shall pay the additional services lines at 95 percent.	X					X			

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility						
		A/B MAC			H H H	M A C	D M E	C E D I
		A	B	F I S S				
9647.4	MLN Article: A provider education article related to this instruction will be available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/ 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 sites and include information about it in a listserv message within 5 business days after receipt of the notification from CMS announcing the availability of the article. In addition, the provider education article shall be included in the contractor's 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					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
	See related Changes Requests 7442, 7684, and 7747.

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Patrick Sartini, 410-786-9252 or patrick.sartini@cms.hhs.gov (payment policy contact), Yvette Cousar, 410-786-2160 or yvette.cousar@cms.hhs.gov (practitioner claims processing contact), Cindy Pitts, 410-786-2222 or cindy.pitts@cms.hhs.gov (institutional claims processing contact)

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: 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 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.

ATTACHMENTS: 1

Attachment for CR 9647: Multiple Procedure Payment Reduction (MPPR) on the Professional Component (PC) of Certain Diagnostic Imaging Procedures

Example: Multiple Procedure Payment Reduction on the Professional Component of Certain Diagnostic Imaging Procedures

	Procedure	Procedure	Current	Revised
	1	2	Total Payment	Total Payment
PC	\$100	\$80	\$160 (\$100 + (.75 x \$80))	\$176 (\$100 + (.95 x \$80))
TC	\$500	\$400	\$700 (\$500 + (.50 x \$400))	\$700 (\$500 + (.50 x \$400))
Global	\$600	\$480	\$860 (\$600 + (.75 x \$80) + (.50 x \$400))	\$876 (\$600 + (.95 x \$80) + (.50 x \$400))

250.16 - Multiple Procedure Payment Reduction (MPPR) on Certain Diagnostic Imaging Procedures Rendered by Physicians

(Rev. 3578, Issued: 08-05 Effective: 01-01-17, Implementation: 01-03-17)

Diagnostic imaging procedures rendered by a physician that has reassigned their billing rights to a Method II CAH are payable by Medicare when the procedures are eligible and billed on type of bill 85x with revenue code (RC) 096x, 097x and/or 098x.

The MPPR on diagnostic imaging applies when multiple services are furnished by the same physician to the same patient in the same session on the same day. Full payment is made for each service with the highest payment under the MPFS. *Effective for dates of services on or after January 1, 2012, payment is made at 75 percent for each subsequent service; and effective for dates of services on or after January 1, 2017, payment is made at 95 percent for each subsequent service.*