

| | |
|---|---|
| CMS Manual System | Department of Health & Human Services (DHHS) |
| Pub 100-20 One-Time Notification | Centers for Medicare & Medicaid Services (CMS) |
| Transmittal 588 | Date: October 30, 2009 |
| | Change Request 6641 |

SUBJECT: Reflecting the Payment Ambulatory Payment Classification (APC) on the Remittance Advice (RA)

I. SUMMARY OF CHANGES: The Centers for Medicare and Medicaid Services (CMS) was recently made aware that the HCPCS APC, instead of the Payment APC, is being appended to the Remittance Advice (RA). Because the HCPCS APC is not used to determine final payment, the RA may communicate an APC assignment that does not correspond to the correct payment received by the provider.

Effective Date: April 1, 2010

Implementation Date: April 5, 2010

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/revise 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:

SECTION A: For Fiscal Intermediaries and Carriers:

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): N/A

IV. ATTACHMENTS:

One-Time Notification

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

Attachment – One-Time Notification

| | | | |
|-------------|------------------|------------------------|----------------------|
| Pub. 100-20 | Transmittal: 588 | Date: October 30, 2009 | Change Request: 6641 |
|-------------|------------------|------------------------|----------------------|

SUBJECT: Reflecting the Payment Ambulatory Payment Classification (APC) on the Remittance Advice (RA)

Effective Date: April 1, 2010

Implementation Date: April 5, 2010

I. GENERAL INFORMATION

Background: Each Healthcare Common Procedural Coding System (HCPCS) code for which separate payment is made under the OPPS is assigned to a HCPCS ambulatory payment classification (APC) group. Oftentimes, the HCPCS APC matches the Payment APC, which is the APC used by Medicare to determine payment. However, in certain situations, as is the case with composite APCs, the HCPCS APC does not match the Payment APC.

The Centers for Medicare & Medicaid Services (CMS) was recently made aware that the HCPCS APC, instead of the Payment APC, is being appended to the Remittance Advice (RA). Because the HCPCS APC is not used to determine final payment, the RA may communicate an APC assignment that does not correspond to the correct payment received by the provider.

B. Policy: N/A

II. BUSINESS REQUIREMENTS TABLE

| Number | Requirement | Responsibility | | | | | | | | |
|--------|--|--------------------------------|-----------------------|--------|---------------------------------|------------------|------------------------------|-------------|-------------|--|
| | | A / B M A C | D M M A C | F I | C A R R I E R | R H H I | Shared-System Maintainers | | | |
| | | | | | | F I S S | M C S | V M S | C W F | |
| 6641.1 | FISS shall update the RA to use the Payment APC, instead of the HCPCS APC. | | | | | | X | | | |

III. PROVIDER EDUCATION TABLE

| Number | Requirement | Responsibility | | | | | | | | |
|--------|-------------|--------------------------------|-----------------------|--------|---------------------------------|------------------|------------------------------|-------------|-------------|--|
| | | A / B M A C | D M M A C | F I | C A R R I E R | R H H I | Shared-System Maintainers | | | |
| | | | | | | F I S S | M C S | V M S | C W F | |
| | None | | | | | | | | | |

IV. SUPPORTING INFORMATION

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

| X-Ref Requirement Number | Recommendations or other supporting information: |
|---------------------------------|---|
| 6641.1 | For more information, see Addendum A, Table 7 of the Integrated Outpatient Code Editor (IOCE) Quarterly Release Specifications at: http://www.cms.hhs.gov/OutpatientCodeEdit/02_OCEQtrReleaseSpecs.asp#TopOfPage |

Section B: Other recommendations and supporting information: None

V. CONTACTS

Pre-Implementation Contact(s):

Institutional Claims Processing:

Maria Durham at 410-786-6978 or maria.durham@cms.hhs.gov

Joe Bryson at 410-786-2986 or joseph.bryson@cms.hhs.gov

Post-Implementation Contact(s): Regional office

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and/or Carriers:*

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):* N/A