

CMS Manual System

Pub 100-04 Medicare Claims Processing

Transmittal 875

Department of Health &
Human Services (DHHS)

Centers for Medicare &
Medicaid Services (CMS)

Date: FEBRUARY 24, 2006

Change Request 4371

SUBJECT: Maintenance and Update of the Temporary Hook Created to Hold OPPS Claims That Include Certain Drug HCPCS Codes

I. SUMMARY OF CHANGES: Transmittal 756, Change Request (CR) 4142 issued on November 10, 2005, instructed the standard system maintainers to hook and hold claims with bill types 12x, 13x, 76x or 13x with condition code 41, with dates of service on or after January 1, 2006, where one or more of the drug HCPCS codes on the list attached to CR 4142 was included. The hook program should be maintained and updated each quarter based on the list of drug HCPCS found at the address provided in the Recurring Update Notification attached to this instruction. This process should continue until further notice.

NEW/REVISED MATERIAL

EFFECTIVE DATE: April 1, 2006

IMPLEMENTATION DATE: April 3, 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/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 2006 operating budgets.

IV. ATTACHMENTS:

Recurring Updated Notification

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

Attachment – Recurring Update Notification

Pub. 100-04	Transmittal: 875	Date: February 24, 2006	Change Request 4371
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SUBJECT: Maintenance and Update of the Temporary Hook Created to Hold OPSS Claims That Include Certain Drug HCPCS Codes

I. GENERAL INFORMATION

A. Background: The CMS has proposed to pay for all outpatient drugs using the Average Sales Price (ASP) methodology. The schedule for submission of all ASP pricing is statutory per Section 621(a) of the MMA. Drug manufacturers are required to submit drug ASPs within 30 days of the close of their fiscal quarter. Given the complexity, volume of data, and the number of drugs affected, approximately 6 weeks are required to process, validate, and issue final ASPs for a given quarter. The ASP rates for drugs furnished on or after April 1, 2006, will not be available until mid-March 2006. The ASP rates for drugs furnished on or after July 1, 2006, will not be available until mid-June 2006 and the ASP rates for drugs furnished on or after October 1, 2006, will not be available until mid-September 2006 respectively.

The OPSS PRICER is ready for implementation on the first day of each quarter. However, certain drug HCPCS that will be updated quarterly, will not have the new drug prices included for the reasons explained above. Claims for dates of service falling under the new OPSS PRICER that include one or more drug HCPCS code from the file found at the address specified in the Business Requirements below are to be held by the Fiscal Intermediary (FI) until a revised OPSS PRICER is installed in their production region. Refer to the OPSS PRICER Schedule below for the OPSS PRICER installation deadlines.

OPSS PRICER Schedule

Update	Drug HCPCS codes available to FISS/FIs	OPSS Pricer Updated/Sent to FISS	FISS Release Revised OPSS Pricer to Data Centers	Latest Test Installation Date	Latest Production Installation Date	FI's Begin to Release Claims
April 1, 2006	2/17/2006	3/24/06	3/30/06	4/3/06	4/13/06	4/14/06
July 1, 2006	5/12/2006	6/23/06	6/29/06	7/3/06	7/13/06	7/14/06
October 1, 2006	8/11/2006	9/22/06	9/28/06	10/2/06	10/12/06	10/13/06

B. Policy: Transmittal 756, Change Request (CR) 4142 issued on November 10, 2005, instructed Standard System Maintainers (SSMs) to “hook” and hold claims with bill types 12x, 13x, 76x, or 13x with condition code 41, with dates of service on or after January 1, 2006, where one or more of the drug HCPCS codes on the list attached to CR 4142 was included. The “hook” program should be maintained and updated each quarter based on the list of drug HCPCS found at the address provided in the Business Requirements below. This process should continue until further notice.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	R H H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
4371.1	FISS shall install the revised OPSS PRICER each quarter on the dates specified in the OPSS PRICER Schedule in Section I.A					X				
4371.1.1	FISS shall test the revised OPSS PRICER each quarter on the dates specified in the OPSS PRICER Schedule in Section I.A					X				
4371.1.2	FISS shall release the revised OPSS PRICER each quarter on the dates specified in the OPSS PRICER Schedule in Section I.A					X				
4371.2	The standard system maintainer (SSM) shall continue maintaining the hook logic created in CR 4142, which holds claims with bill types 12x, 13x, 76x, or 13x with condition code 41, with dates of services on or after the first day of each quarter that include one or more drug HCPCS code from the list that will be provided quarterly.					X				
4371.2.1	The SSM shall continue this process until further notice.					X				
4371. 2.2	The SSM shall release this logic as a part of the quarterly releases so that this logic is available to FIs prior to the 1 st business day of each quarter.					X				
4371.3	The SSM shall use the following file name to download from the CMS data center the list of drug HCPCS codes that are to be incorporated into their hook logic:					X				

