

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 13429	Date: September 22, 2025
	Change Request 14246

SUBJECT: October 2025 Update of the Ambulatory Surgical Center [ASC] Payment System

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to provide changes to and billing instructions for various payment policies implemented in the October 2025 ASC payment system update.

EFFECTIVE DATE: October 1, 2025

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

IMPLEMENTATION DATE: October 6, 2025

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	N/A

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:

Recurring Update Notification

Attachment - Recurring Update Notification

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I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to provide changes to and billing instructions for various payment policies implemented in the October 2025 ASC payment system update.

II. GENERAL INFORMATION

A. Background: The purpose of this Change Request (CR) is to provide changes to and billing instructions for various payment policies implemented in the October 2025 Ambulatory Surgical Center (ASC) payment system update. As appropriate, this notification also includes updates to the Healthcare Common Procedure Coding System (HCPCS). This Recurring Update Notification applies to Chapter 14, Section 40 of Publication (Pub.) 100-04. An October 2025 Ambulatory Surgical Center Fee Schedule (ASC FS) File, an October 2025 Ambulatory Surgical Center Code Pairs file, and an October 2025 Ambulatory Surgical Center Payment Indicator (PI) File will be issued with this transmittal.

B. Policy: 1. New OPPS Device Pass-Through Category Payable in ASCs

Section 1833(t)(6)(B) of the Social Security Act (the Act) requires that, under the hospital Outpatient Prospective Payment System (OPPS), categories of devices be eligible for transitional pass-through payments for at least two, but not more than three years. In addition, section 1833(t)(6)(B)(ii)(IV) of the Act requires that we create additional categories for transitional pass-through payment of new medical devices not described by existing or previously existing categories of devices. This policy is also implemented in the ASC payment system.

Section 1833(t)(6)(D)(ii) of the Act requires CMS deduct from pass-through payments for devices in the OPPS an amount that shows the device portion of the Ambulatory Payment Classification (APC) payment amount. This deduction is the device offset, or the portions of the APC amount that's associated with the cost of the pass-through device. This device offset policy is also implemented in ASCs. The device offset from payment represents a deduction from pass-through payments from the ASC procedure payment for the applicable pass-through device.

CMS preliminarily approved 2 new devices for pass-through status under the OPPS with an effective date of October 1, 2025, that may be applicable in the ASC setting – HCPCS codes C1741 and C1742. We will include

a discussion of the device applications associated with HCPCS codes C1741 and C1742 in the CY 2027 OPPS/ASC proposed and final rules.

Table 1 (see Attachment A: Policy Section Tables) includes the code, as well as the descriptors and the ASC payment indicator of the new OPPS device pass-through categories. The list of CPT codes an ASC must perform with C1741 and C1742 is in the October 2025 ASC Code Pair File.

2. New HCPCS Code Describing the Insertion of a Pleural-Peritoneal Shunt with Intercostal Pump Chamber

CMS is establishing a new HCPCS code, C8006, to describe the procedure to insert a pleural-peritoneal shunt with an intercostal pump chamber. Table 2 (see Attachment A: Policy Section Tables) lists the official long descriptor, status indicator, and APC assignment for HCPCS code C8006. This code, along with its short descriptor, ASC PI, and payment rate, can also be found in the October 2025 ASC Addendum AA and FF on the CMS website at: <https://www.cms.gov/medicare/payment/prospective-payment-systems/ambulatory-surgical-center-asc/asc-payment-rates-addenda>

3. Drugs, Biologicals, and Radiopharmaceuticals

a. New CY 2025 HCPCS Codes and Dosage Descriptors for Certain Drugs, Biologicals, and Radiopharmaceuticals Receiving Pass-Through Status Effective October 1, 2025

Twenty-one (21) new HCPCS codes have been created for reporting drugs and biologicals in the hospital outpatient setting, where there have not previously been specific codes available starting on October 1, 2025. These HCPCS codes are listed in Table 3 (see Attachment A: Policy Section Tables). These codes, along with the short descriptors, ASC PIs, and payment rates, can also be found in the October 2025 ASC Addendum BB on the CMS website at: <https://www.cms.gov/medicare/payment/prospective-payment-systems/ambulatory-surgical-center-asc/asc-payment-rates-addenda>.

b. Existing HCPCS Codes for Drug, Biological, and Radiopharmaceutical Changing Payment Indicators Effective October 1, 2025

Thirteen (13) drug, biological and radiopharmaceutical HCPCS codes will be changing their payment status indicators on October 1, 2025. The HCPCS codes and their status indicators are listed in Table 4 (see Attachment A: Policy Section Tables). These codes, along with the short descriptors, ASC PIs, and payment rates, can also be found in the October 2025 ASC Addendum BB on the CMS website at: <https://www.cms.gov/medicare/payment/prospective-payment-systems/ambulatory-surgical-center-asc/asc-payment-rates-addenda>.

c. HCPCS Codes for Drugs, Biologicals, and Radiopharmaceuticals Deleted as of September 30, 2025

Six (6) drug, biological, and radiopharmaceutical HCPCS codes will be deleted on September 30, 2025. These HCPCS codes are listed in Table 5 (see Attachment A: Policy Section Tables).

d. HCPCS Codes for Drugs, Biologicals, and Radiopharmaceuticals Changing Payment Status Retroactive to July 1, 2025

Two (2) drug, biological and radiopharmaceutical HCPCS codes will be changing payment status indicators retroactive to July 1, 2025. The HCPCS codes and their revised status indicators are listed in Table 6 (see Attachment A: Policy Section Tables). These codes, along with the short descriptors, ASC PIs, and payment rates, can also be found in the October 2025 ASC Addendum BB on the CMS website at:

<https://www.cms.gov/medicare/payment/prospective-payment-systems/ambulatory-surgical-center-asc/asc-payment-rates-addenda>.

e. HCPCS Codes for Drugs, Biologicals, and Radiopharmaceuticals with Descriptor Changes as of October 1, 2025

Two (2) drug, biological, and radiopharmaceutical HCPCS codes have had a substantial descriptor change as of October 1, 2025. These HCPCS codes are listed in Table 7 (see Attachment A: Policy Section Tables).

f. Drugs and Biologicals with Payments Based on Average Sales Price (ASP)

For CY 2025, payment for the majority of nonpass-through drugs, biologicals, and therapeutic radiopharmaceuticals is made at a single rate of ASP + 6 percent (or ASP plus 6 or 8 percent of the reference product for biosimilars). In CY 2025, a single payment of ASP plus 6 percent for pass-through drugs, biologicals, and radiopharmaceuticals is made to provide payment for both the acquisition cost and pharmacy overhead costs of these pass-through items (or ASP plus 6 or 8 percent of the reference product for biosimilars). Payments for drugs and biologicals based on ASPs will be updated on a quarterly basis as later quarter ASP submissions become available. Updated payment rates effective October 1, 2025, can be found in the October 2025 ASC Addendum BB on the CMS website at: <https://www.cms.gov/medicare/payment/prospective-payment-systems/ambulatory-surgical-center-asc/asc-payment-rates-addenda>.

g. Drugs, Biologicals, and Radiopharmaceuticals with Restated Payment Rates

Some drugs, biologicals, and radiopharmaceuticals will have payment rates that are corrected retroactively. These retroactive corrections typically occur on a quarterly basis. The list of drugs, biologicals, and radiopharmaceuticals with corrected payment rates will be accessible on the CMS website on the first date of the quarter at <https://www.cms.gov/medicare/payment/prospective-payment-systems/hospital-outpatient/restated-drug-biological-payment-rates>.

Providers may resubmit claims that were affected by adjustments to a previous quarter's payment files.

4. Skin Substitutes

The payment for skin substitute products that do not qualify for pass-through status will be packaged into the payment for the associated skin substitute application procedure. For payment packaging purposes, the skin substitute products are divided into two groups: 1) high cost skin substitute products and 2) low cost skin substitute products. New skin substitute HCPCS codes are assigned into the low-cost skin substitute group unless CMS has pricing data that demonstrates that the cost of the product is above either the mean unit cost of \$50 or the per day cost of \$833 for CY 2025.

a. New Packaged Skin Substitute Products Effective October 1, 2025

There are nineteen (19) new skin substitute HCPCS codes that will be active as of October 1, 2025. These codes are listed in Table 8 (see Attachment A: Policy Section Tables) and can be found in the October 2025 ASC Addendum BB on the CMS website at: <https://www.cms.gov/medicare/payment/prospective-payment-systems/ambulatory-surgical-center-asc/asc-payment-rates-addenda>.

b. Skin Substitute Products Reassigned to the High Cost Skin Substitute Group as of October 1, 2025

There is one (1) skin substitute HCPCS code that will be reassigned from the low cost skin substitute group to the high cost skin substitute group as of October 1, 2025. The code is listed in Table 9, (see Attachment A: Policy Section Tables).

5. Coverage Determinations

The fact that a drug, device, procedure, or service is assigned a HCPCS code and a payment rate under the ASC payment system does not imply coverage by the Medicare program but indicates only how the product, procedure, or service may be paid if covered by the program. Medicare Administrative Contractors (MACs) determine whether a drug, device, procedure, or other service meets all program requirements for coverage. For example, MACs determine that it is reasonable and necessary to treat the beneficiary's condition and whether it is excluded from payment.

III. 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		F I S S	M C S	V M S	
14246.1	Medicare contractors shall use the cloud service or MCS to process October 2025 ASC Fee Schedule (FS) claims, based on CMS direction. Note: As a reminder, contractors get the October 2025 ASC FS payment rates, as applicable, from the cloud. Date of retrieval will be provided in a separate email communication from CMS.		X						
14246.2	Medicare contractors shall use the cloud service to process ASC drug claims. NOTE: As a reminder, contractors get the October 2025 ASC Drug pricing, as well as restated quarterly ASC drug pricing, as applicable, from the cloud. Date of retrieval will be provided in a separate email communication from CMS.		X						
14246.3	Medicare contractors shall ensure that the updated cloud service payment rate is applied to effected claims.		X						

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared- System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
14246.4	Medicare contractors shall download and install the October 2025 ASC Payment Indicator (PI) file. FILENAME: MU00.@BF12390.ASC.CY25.PI.OCTA.V0908 NOTE: Date of retrieval will be provided in a separate email communication from CMS.		X							PCS
14246.5	Medicare contractors shall download and install the October 2025 ASC Code Pair file. FILENAME: MU00.@BF12390.ASC.CY25.CP.OCTA.V0908 NOTE: Date of retrieval will be provided in a separate email communication from CMS.		X							PCS
14246.6	Medicare contractors shall add Type of Service (TOS) F, for HCPCS codes included in Tables 1, 2, 3, and 4 in Attachment A effective for services October 1, 2025.		X						X	CVM
14246.7	Medicare contractors shall note the payment indicator, description or cost reassignment changes for the HCPCS codes listed in Tables 4 and 6 of Attachment A.		X							
14246.8	Medicare contractors shall make October 2025 ASCFS fee data for their ASC payment localities available on their web sites.		X							
14246.9	Medicare contractors shall end date CY 2025 HCPCS codes listed in Attachment A, Table 5, as appropriate, in their systems, effective September 30, 2025		X						X	
14246.10	The contractors shall notify CMS of successful receipt via e-mail to price_file_receipt@cms.hhs.gov , stating the name of the file received (e.g., CLAB, Average		X							

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared- System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
	Sales Price (ASP), etc.), and the entity for which it was received (i.e., include states, carrier numbers, quarter, and if Part A, Part B, or both).									

IV. PROVIDER EDUCATION

Medicare Learning Network® (MLN): CMS will develop and release national provider education content and market it through the MLN Connects® newsletter shortly after we issue the CR. MACs shall link to relevant information on your website and follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 for distributing the newsletter to providers. When you follow this manual section, you don't need to separately track and report MLN content releases. You may supplement with your local educational content after we release the newsletter.

Impacted Contractors: A/B MAC Part B

V. 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:

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

VI. CONTACTS

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

VII. 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 A – Policy Section Tables

Table 1. — New OPPS Device Pass-Through Category HCPCS Codes

HCPCS Code	Short Descriptor	Long Descriptor	ASC PI
C1741	Anchor/screw bone absorb	Anchor/screw for bone fixation, absorbable (implantable)	J7
C1742	Pressure sens syst, cont IM	Pressure monitoring system, compartmental intramuscular (implantable), continuous, including all components (e.g., introducer, sensor), excludes mobile (wireless) software application	J7

Table 2. — New Covered Surgical Procedure Effective October 1, 2025

HCPCS Code	Short Descriptor	Long Descriptor	ASC PI
C8006	Inst pleu-perit shnt w pump	Insertion of pleural-peritoneal shunt with intercostal pump chamber, including imaging, injection(s) of contrast with radiological supervision and interpretation, when performed	J8

Table 3. — Newly Established HCPCS Codes for Drugs, Biologicals, and Radiopharmaceuticals as of October 1, 2025

New HCPCS Code	Old HCPCS Code	Long Descriptor	ASC PI
A9616		Gallium ga-68 gozetotide (gozellix), diagnostic, 1 millicurie	K2
C9305		Injection, nipocalimab-aahu, 3 mg	K2
C9306		Injection, telisotuzumab vedotin-tllv, 1 mg	K2
J0458		Injection, aztreonam/avibactam, 7.5 mg/2.5 mg (10 mg)	K2
J0614	C9175	Injection, treosulfan, 50 mg	K2
J0668	C9088	Instillation, bupivacaine and meloxicam, 1 mg/0.03 mg	K2
J0675		Injection, carboprost tromethamine, 0.1 mg	K2
J0681		Injection, ceftobiprole medocartil sodium, 3 mg	K2
J0738		Injection, lenacapavir, 1 mg, fda approved prescription, only for use as hiv pre-exposure prophylaxis (not for use as treatment for hiv)	K2
J0752		Oral, lenacapavir, 300 mg, fda approved prescription, only for use as hiv pre-exposure prophylaxis (not for use as treatment for hiv)	K2
J0759	C9248	Injection, clevidipine butyrate, 1 mg	K2
J1612		Injection, glucagon (gvoke), 0.01 mg	K2
J1807		Injection, ethacrynate sodium, 1 mg	K2
J1809		Injection, fosdenopterin, 0.1 mg	K2

J1834		Injection, isoniazid, 1 mg	K2
J3403		Revakinagene taroretcel-lwey, per implant	K2
J7173		Injection, concizumab-mtci, 0.5 mg	K2
J7174		Injection, fitusiran, 0.04 mg	K2
J9011	C9174	Injection, datopotamab deruxtecan-dlnk, 1 mg	K2
Q5157		Injection, denosumab-bmwo (stoboclo/osenvelt), biosimilar, 1 mg	K2
Q5158		Injection, denosumab-bnht (bomynta/conexence), biosimilar, 1 mg	K2

Table 4. — HCPCS Codes for Drugs, Biologicals, and Radiopharmaceuticals Changing Payment Indicator as of October 1, 2025

HCPCS Code	Long Descriptor	July 2025 ASC PI	October 2025 ASC PI
C9101	Injection, oliceridine, 0.1 mg	K2	N1
J0567	Injection, cerliponase alfa, 1 mg	K5	K2
J0593	Injection, lanadelumab-flyo, 1 mg (code may be used for Medicare when drug administered under direct supervision of a physician, not for use when drug is self-administered)	K5	K2
J0599	Injection, c-1 esterase inhibitor (human), (haegarda), 10 units	K5	K2
J1426	Injection, casimersen, 10 mg	K5	K2
J1428	Injection, eteplirsen, 10 mg	K5	K2
J2062	Loxapine for inhalation, 1 mg	K5	K2
J3397	Injection, vestronidase alfa-vjbk, 1 mg	K5	K2
J9118	Injection, calaspargase pegol-mknl, 10 units	K5	K2
J9322	Injection, pemetrexed (bluepoint), not therapeutically equivalent to j9305, 10 mg	K5	K2
J9376	Injection, pozelimab-bbfg, 1 mg	K5	K2
Q5138	Injection, ustekinumab-auub (wezlana), biosimilar, intravenous, 1 mg	K5	K2
Q9999	Injection, ustekinumab-aauz (otulfi), biosimilar, 1 mg	K5	K2

Table 5. — HCPCS Codes for Drugs, Biologicals, and Radiopharmaceuticals Deleted as of September 30, 2025

HCPCS Code	Long Descriptor	ASC PI
C9088	Instillation, bupivacaine and meloxicam, 1 mg/0.03 mg	D5
C9174	Injection, datopotamab deruxtecan-dlnk, 1 mg	D5
C9175	Injection, treosulfan, 50 mg	D5
C9248	Injection, clevidipien butyrate, 1 mg	D5
J2150	Injection, mannitol, 25% in 50 ml	D5
J2503	Injection, pegaptanib sodium, 0.3 mg	D5

Table 6. — HCPCS Codes for Drugs, Biologicals, and Radiopharmaceuticals Changing Payment Status Retroactive to July 1, 2025

HCPCS Code	Long Descriptor	Old ASC PI	July 2025 SI
J9076	Injection, cyclophosphamide (baxter), 5 mg	K5	K2
Q9997	Injection, ustekinumab-ttwe (pyzchiva), intravenous, 1 mg	K5	K2

Table 7. — HCPCS Codes for Drugs, Biologicals, and Radiopharmaceuticals with Substantial Descriptor Changes as of October 1, 2025

CY 2025 HCPCS Code	July 2025 Long Descriptor	October 2025 Long Descriptor
J1961	Injection, lenacapavir, 1 mg	Injection, lenacapavir (only for use as hiv treatment), 1 mg
J9072	Injection, cyclophosphamide (avyxa), 5 mg	Injection, cyclophosphamide (frindovyx), 5 mg

Table 8. — New Skin Substitute Products Low-Cost Group/High-Cost Group Assignment Effective October 1, 2025

HCPCS Code	Long Descriptor	ASC PI	Low/High Cost Skin Substitute
A2036	Cohealyx collagen dermal matrix, per square centimeter	N1	High
A2037	G4derm plus, per milliliter	N1	High
A2038	Marigen pacto, per square centimeter	N1	High
A2039	Innovamatrix fd, per square centimeter	N1	High
Q4383	Axolotl graft ultra, per square centimeter	N1	Low
Q4384	Axolotl dualgraft ultra, per square centimeter	N1	Low
Q4385	Apollo ft, per square centimeter	N1	Low
Q4386	Acesso trifaca, per square centimeter	N1	Low
Q4387	Neothelium ft, per square centimeter	N1	Low
Q4388	Neothelium 4l, per square centimeter	N1	Low
Q4389	Neothelium 4l+, per square centimeter	N1	Low

Q4390	Ascendion, per square centimeter	N1	Low
Q4391	Amnioplast double, per square centimeter	N1	Low
Q4392	Grafix duo, per square centimeter	N1	Low
Q4393	Surgraft ac, per square centimeter	N1	Low
Q4394	Surgraft aca, per square centimeter	N1	Low
Q4395	Acelagraft, per square centimeter	N1	Low
Q4396	Natalin, per square centimeter	N1	Low
Q4397	Summit aaa, per square centimeter	N1	Low

Table 9. — Skin Substitute Products Reassigned to the High Cost Skin Substitute Group as of October 1, 2025

HPCS Code	Long Descriptor	ASC PI	Old Low/High Cost Skin Substitute Group	April 2025 Low/High Cost Skin Substitute Group
Q4165	Keramatrix or kerasorb, per square centimeter	N1	Low	High