

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-20 One-Time Notification</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 1040</b>	<b>Date: February 3, 2012</b>
	<b>Change Request 7703</b>

**SUBJECT: Interaction of Multiple Procedure Payment Reduction (MPPR) on Imaging Procedures and the Outpatient Prospective Payment System (OPPS) Cap on the Technical Component of Imaging Procedures**

**I. SUMMARY OF CHANGES:** The purpose of this CR is to notify contractors to use the OPPS cap on the TC for both TC-only and global services, and to discontinue use of the global cap.

**EFFECTIVE DATE: July 1, 2012**

**IMPLEMENTATION DATE: July 2, 2012**

*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.*

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
N/A	

**III. FUNDING:**

**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.

**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:**

**One-Time Notification**

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

# Attachment – One-Time Notification

Pub. 100-20	Transmittal: 1040	Date: February 3, 2012	Change Request: 7703
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**SUBJECT: Interaction of the Multiple Procedure Payment Reduction (MPPR) on Imaging Procedures And the Outpatient Prospective Payment System (OPPS) Cap on the Technical Component (TC) of Imaging Procedures**

**Effective Date: July 1, 2012**

**Implementation Date: July 2, 2012**

## **I. GENERAL INFORMATION**

**A. Background:** Medicare implemented an MPPR on the TC of certain diagnostic imaging procedures effective January 1, 2006. Effective January 1, 2012, the MPPR will also be applied to the professional component (PC) of such services.

**B. Policy:** 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. Effective January 1, 2012 the MPPR on certain diagnostic imaging services applies to both PC and TC services. It applies to PC-only services, TC-only services and to the PC and TC of global services.

Full payment is made for the PC service with the highest payment under the Medicare Physician Fee Schedule (MPFS). Payment is made at 75 percent for subsequent PC services furnished by the same physician to the same patient in the same session on the same day. Full payment is made for the TC service with the highest payment under the MPFS. Payment is made at 50 percent for subsequent TC services furnished by the same physician to the same patient in the same session on the same day. The individual PC and TC services with the highest payments under the MPFS of globally billed services must be determined in order to calculate the reduction.

Section 5102(b) of the Deficit Reduction Act of 2005 provided for capping the payment for the TC of diagnostic imaging procedures based on the OPPS payment. The MPPR is applied prior to the application of the OPPS cap. Currently, the payment for global services is compared against a “global cap” derived from adding the TC capped amount to the PC. However, with the implementation of the MPPR on the PC, this could result in situations where, although the global payment amount is lower than the “global cap” amount, the TC is higher than the TC cap amount, and is not appropriately being reduced. Therefore, we are discontinuing calculation and use of the “global cap” amount. The TC of both global services, and TC-only services, shall be compared to the OPPS cap amount on the TC to determine the lower of the two.

## II. BUSINESS REQUIREMENTS TABLE

Use "Shall" to denote a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B M A C	D M M A C	F I	C A R I E R	R H I	Shared-System Maintainers				OTH ER
						F I S S	M C S	V M S	C W F		
7703.1	Contractors shall discontinue use of the "global cap" for the imaging MPPR.	X			X			X			
7703.2	Contractors shall compare the MPPR reduced amount for both TC-only services and the TC of global services to the OPPS cap amount on the TC to determine the lower of the two.	X			X			X			

## III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B M A C	D M M A C	F I	C A R I E R	R H I	Shared-System Maintainers				OTH ER
						F I S S	M C S	V M S	C W F		
7703.3	A provider education article related to this instruction will be available at <a href="http://www.cms.hhs.gov/MLNMattersArticles/">http://www.cms.hhs.gov/MLNMattersArticles/</a> . 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						

#### IV. SUPPORTING INFORMATION

**Section A: For any recommendations and supporting information associated with listed requirements, use the box below: N/A**

Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
	None

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

#### V. CONTACTS

**Pre-Implementation Contact(s):** Kenneth Marsalek for payment policy issues on 410-786- 4502, [Kenneth.Marsalek@cms.hhs.gov](mailto:Kenneth.Marsalek@cms.hhs.gov); Yvette Cousar for Part B claims processing issues, on 410-786-2160 [yvette.cousar@cms.hhs.gov](mailto:yvette.cousar@cms.hhs.gov); or Charles Campbell for MPFDB issues on 410-786-7209, [charles.campbell@cms.hhs.gov](mailto:charles.campbell@cms.hhs.gov)

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

#### VI. FUNDING

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

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**Section B: For Medicare Administrative Contractors (MACs):**

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