
CMS Manual System

Pub. 100-02 Medicare Benefit Policy

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal 29

Date: FEBRUARY 11, 2005

CHANGE REQUEST 3713

SUBJECT: Telehealth Originating Site Facility Fee Payment Amount Update

I. SUMMARY OF CHANGES: As required by section 1834(m) of the Social Security Act, the Medicare telehealth originating site facility fee as described by HCPCS code Q3014 was increased by the calendar year 2005 Medicare Economic Index of 3.1 percent. Therefore, the calendar year 2005 telehealth originating site facility fee is \$21.86.

NEW/REVISED MATERIAL - EFFECTIVE DATE*: January 1, 2005

IMPLEMENTATION DATE: March 14, 2005

Disclaimer for manual changes only: The revision date and transmittal number apply to the red italicized material only. 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 not updated.)
(R = REVISED, N = NEW, D = DELETED)

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 2005 operating budgets.

IV. ATTACHMENTS:

	Business Requirements
	Manual Instruction
	Confidential Requirements
X	One-Time Notification
	Recurring Update Notification

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

Attachment – One Time Notification

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SUBJECT: Telehealth Originating Site Facility Fee Payment Amount Update

I. GENERAL INFORMATION

A. Background: Section 1834(m) of the Social Security Act (the Act) establishes the payment amount for the Medicare telehealth originating site facility fee for telehealth services provided from October 1, 2001, through December 31 2002, at \$20. For telehealth services provided on or after January 1 of each subsequent calendar year, the telehealth originating site facility fee is increased as of the first day of the year by the percentage increase in the Medicare Economic Index (MEI) as defined in §1842(i)(3) of the Act. The MEI increase for 2005 is 3.1 percent.

B. Policy: For calendar year 2005, the payment amount for HCPCS code “Q3014, telehealth originating site facility fee” is 80 percent of the lesser of the actual charge or \$21.86. The beneficiary is responsible for any unmet deductible amount or coinsurance.

The Medicare telehealth originating site facility fee and MEI increase by the applicable time period is shown below.

<u>Facility Fee</u>	<u>MEI Increase</u>	<u>Period</u>
\$20.00	N/A	10/01/2001 – 12/31/2002
\$20.60	3.0%	01/01/2003 – 12/31/2003
\$21.20	2.9%	01/01/2004 – 12/31/2004
\$21.86	3.1%	01/01/2005 – 12/31/2005

II. BUSINESS REQUIREMENTS

“Shall” denotes a mandatory requirement

“Should” denotes an optional requirement

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I S S	R H I	C H I r i e r	D M E R C	Shared System Maintainers			
					F I S S	M C S	V M S	C W F	
3713.1	Effective January 1, 2005, local part B carriers and Intermediaries shall pay for the Medicare telehealth originating site facility fee as described by HCPCS code Q3014 at 80% of the lesser of the actual charge or \$21.86.	X		X					

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R 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			
3713.2	For claims with a date of service on or after January 1, 2005 that have already been processed (e.g. using the CY 2004 telehealth facility fee), carriers and intermediaries shall perform adjustments as providers bring this to your attention.	X		X						

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R 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			
	None.									

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date*: January 1, 2005</p> <p>Implementation Date: March 14, 2005</p> <p>Pre-Implementation Contact(s): Craig Dobyski, Cdobyski@cms.hhs.gov; 410-786-4584</p> <p>Post-Implementation Contact(s): Appropriate Regional Office</p>	<p>No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2005 operating budgets.</p>
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