

Related Change Request (CR) #: 3082

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Related CR Release Date: February 6, 2004

Effective Date: April 1, 2004

Implementation Date: April 5, 2004

Transmittal #: 51

MMA - Changes in Payment for Services Furnished in Ambulatory Surgical Centers (ASCs) for Fiscal Year 2004

Note: This article was revised to contain Web addresses that conform to the new CMS web site and to show they are now MLN Matters articles. All other information remains the same.

Provider Types Affected

Ambulatory Surgical Centers

Provider Action Needed

This article describes changes in payment for services furnished in Ambulatory Surgical Centers (ASCs) during fiscal year 2004 (FY04), beginning with April 1, 2004. It reflects changes resulting from the enactment of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) on December 8, 2003 (Section 626(a)).

Background

For fiscal year 2004, effective with services furnished on or after April 1, 2004, the increase in Ambulatory Surgical Center (ASC) payment rates will be the 2003 Consumer Price Index (CPI) for all urban consumers (U.S. city average) (CPI-U), as estimated for the 12-month period ending March 31, 2003, minus three (3.0) percentage points. Since the forecasted inflation of the CPI-U for the 12-month period ending March 31, 2003 was 3.0 percent, the ASC payment rates increase for FY04 equals zero percent (0.0 percent).

Effective for **services furnished on or after April 1, 2004**, the ASC payment group rates will revert to the ASC payment group rates that were implemented effective October 1, 2002, which puts the rates as follows:

Group 1	\$333	Group 6	\$826 (\$676 + \$150 for intraocular lenses (IOLs))
Group 2	\$446	Group 7	\$995
Group 3	\$510	Group 8	\$973 (\$823 + \$150 for IOLs)
Group 4	\$630	Group 9	\$1339
Group 5	\$717		

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NOTE: The wage index rates remain unchanged. The wage index values issued in Transmittal AB-03-116 will be used to calculate payment for type of service F Healthcare Common Procedural Coding System (HCPCS) codes that are on the list of Medicare approved procedures (refer to Transmittal AB-03-137 (CR2890)). CR 2890 may be found at <http://www.cms.hhs.gov/Transmittals/Downloads/AB03137.pdf> on the CMS web site.

Implementation

The implementation date is April 5, 2004.

Related Instructions

The Centers for Medicare & Medicaid Services (CMS) Website for Ambulatory Surgical Center Information Resource for Medicare can be found at <http://www.cms.hhs.gov/center/asc.asp> on the CMS web site.

Also, the official instruction issued to your carrier or intermediary regarding this change may be found by going to <http://www.cms.hhs.gov/transmittals/Downloads/R51OTN.pdf> on the CMS web site.

If you have any questions, please contact your carrier/intermediary at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS web site.

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