



Do you have your NPI? National Provider Identifiers (NPIs) will be required on claims sent on or after May 23, 2007. Every health care provider needs to get an NPI. Learn more about the NPI and how to apply for an NPI by visiting <http://www.cms.hhs.gov/NationalProvIdentStand/> on the CMS website.

MLN Matters Number: MM5211

Related Change Request (CR) #: 5211

Related CR Release Date: December 20, 2006

Effective Date: January 1, 2007

Related CR Transmittal #: R1134CP

Implementation Date: January 2, 2007

2007 Update of HCPCS Codes and Payments for Ambulatory Surgical Centers (ASCs)

Note: This article was revised on January 24, 2008, to add a reference to SE0742. SE0742 announced that CMS was implementing significant revisions to the payment system for ASC services beginning with services rendered on or after January 1, 2008. SE0742 may be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/se0742.pdf> on the CMS website. All other information remains the same.

Provider Types Affected

Ambulatory surgical centers (ASCs) submitting claims to Medicare carriers or fiscal intermediaries (FIs) for ASC services provided to Medicare beneficiaries.

Impact on Providers

This article is based on Change Request (CR) 5211, which updates the 2007 HCPCS codes and ASC payment rates, effective for services furnished on or after January 1, 2007.

Background

Section 5103 of the Deficit Reduction Act of 2005 (DRA) limits ASC payments to:

- The lesser of the Medicare Hospital Outpatient Prospective Payment System (OPPS) payment amount; or
- The ASC payment amount for services furnished on or after January 1, 2007.

Also, §1833(i)(1) of the Social Security Act requires that the list of payable ASC procedures be updated as least every two years.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2006 American Medical Association. All rights reserved.

CR5211, from which this article is taken, implements the required biennial ASC update, which includes changes made by the American Medical Association for the CY 2007 Common Procedural Terminology (CPT). These changes include replacing the ASC 2-digit payment group code designation next to the ASC-approved Healthcare Common Procedure Coding System (HCPCS) codes with a "yy" designation for these codes, which will be defined as "the procedure is approved to be performed in an ambulatory surgical center."

CR5211 also revises the manner in which ASC payment groups are defined. The number of ASC payment groups that carriers and fiscal intermediaries (FI) currently use to identify ASC payment amounts for individual HCPCS codes is being expanded in order to accommodate the new payment amounts that will be assigned to certain ASC services in Calendar Year (CY) 2007 under the DRA requirement. The ASC payment groups will now be called ASC PRICER groups

The additional ASC PRICER groups reflect the DRA-driven payment amounts, which will be included in the ASC PRICER files that carriers, and certain FIs, use to process ASC facility claims.

And lastly, CR5211 includes payment file retrieval instructions that your carriers and FIs will use to access the final payment files on, or after, the specified retrieval date provided in CMS's notification.

You should be aware that final ASC payment rates are established after publication of the OPPS final rule and the code change update will be published as part of the OPPS final rule in the Federal Register. This publication usually occurs in late October. Shortly after publication, you can reach this rule through a link at <http://www.cms.hhs.gov/center/asc.asp> on the CMS website.

Also note that your carriers and FIs will continue to use the wage index values contained in Transmittal 51, dated February 4, 2004, to calculate payment amounts for all type of service F Healthcare Common Procedural Coding System (HCPCS) codes until further notice. This transmittal is available at <http://www.cms.hhs.gov/Transmittals/downloads/R510TN.pdf> on the CMS site.

Additional Information

For complete details, please see CR 5211, the official instruction issued to your carrier/intermediary regarding this change, located at <http://www.cms.hhs.gov/Transmittals/downloads/R1134CP.pdf> on the CMS website. The "2007 ASC Approved HCPCS Codes and Payment Rates" Changes are available at http://www.cms.hhs.gov/ASCPayment/01_Overview.asp on the CMS site.

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

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2006 American Medical Association. All rights reserved.

Flu Shot Reminder

As a respected source of health care information, patients trust their doctors' recommendations. If you have Medicare patients who haven't yet received their flu shot, help protect them by recommending an annual influenza and a one time pneumococcal vaccination. Medicare provides coverage for flu and pneumococcal vaccines and their administration. – And don't forget to immunize yourself and your staff. **Protect yourself, your patients, and your family and friends.** Get Your Flu Shot. Remember - Influenza vaccination is a covered Part B benefit. Note that influenza vaccine is NOT a Part D covered drug. For more information about Medicare's coverage of adult immunizations and educational resources, go to CMS's website: <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0667.pdf>.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2006 American Medical Association. All rights reserved.