



Texas Department of Insurance

Division of Workers' Compensation

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MEMORANDUM

DATE: February 2, 2009

TO: Texas Workers' Compensation System Participants

FROM: Matt Zurek, Executive Deputy Commissioner for Health Care Management and System Monitoring

RE: **Calculation of Ambulatory Surgical Center (ASC) Fully Implemented Facility Reimbursement Rates for 2009**

The purpose of this memo is to provide system participants with information regarding the calculation of the calendar year (CY) 2009 fully implemented Medicare facility reimbursement rates for ambulatory surgical centers (ASC). **The calculated CY 2009 fully implemented Medicare ASC facility reimbursement rate is used in the calculations required to determine the Texas Department of Insurance, Division of Workers' Compensation (TDI-DWC) facility reimbursement to a specific ASC.**

Fee guidelines adopted by the TDI-DWC for non-network services are based on the most current reimbursement methodologies, models, and values or weights used by the Federal Centers for Medicare and Medicaid Services (CMS). CMS did not change the reimbursement methodology for ASC facility services provided in CY 2009. While CMS did not calculate and publish the fully implemented ASC facility rate for CY 2009 in the publication of *ADDENDUM AA, ASC Covered Surgical Procedures for CY 2009* as they did in CY 2008, they published the fully implemented weight for each approved surgical procedure. Information regarding the weights for each approved procedure is located at the following link:

http://www.cms.hhs.gov/apps/ama/license.asp?file=/ascpayment/Downloads/CMS_1404_FC_ASC_fully_implemented_Weights.zip.

Effective for dates of service on or after January 1, 2009, to calculate the fully implemented Medicare ASC facility reimbursement rate that had previously been available on *ADDENDUM AA*, system participants should multiply the fully implemented weight of the approved surgical procedure by the ASC conversion factor. The Medicare ASC conversion factor is \$41.393 as published in *The Federal Register* dated November 18, 2008: <http://edocket.access.gpo.gov/2008/pdf/E8-26212.pdf>.

Formula to determine the 2009 Medicare ASC fully implemented facility reimbursement rate:

CY 2009 Medicare fully implemented weight x ASC conversion factor = CY 2009 Medicare ASC fully implemented facility reimbursement rate.

Example: What is the CY 2009 Medicare fully implemented ASC facility reimbursement rate for CPT code 25515 (Treat Fracture Radius)?

- The CY 2009 Medicare fully implemented weight for CPT code 25515 is 40.3451.
- The Medicare ASC conversion factor is \$41.393
- The calculation is $40.3451 \times \$41.393 = \$1,670$.

Again, the calculated CY 2009 fully implemented Medicare ASC facility reimbursement rate is used in the calculations required to determine the Texas Department of Insurance, Division of Workers' Compensation (TDI-DWC) facility reimbursement to a specific ASC.

If there are any questions regarding the information in this memo, contact Chuck Whitacre by calling (512) 804-4689 or by sending an e-mail to: MedBen@tdi.state.tx.us.