

Program Memorandum Intermediaries/Carriers

Department of Health and
Human Services (DHHS)
HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

Transmittal AB-00-78

Date: AUGUST 24, 2000

CHANGE REQUEST 1282

SUBJECT: Reasonable Charge Update for 2001 for Items and Services, Other Than Ambulance Services, Still Subject to the Reasonable Charge Payment Methodology

Where payment continues to be made on a reasonable charge basis for items and services, other than ambulance services, carriers are to compute 2001 customary and prevailing charge updates using actual charge data from July 1, 1999 to June 30, 2000. All of the codes are subject to the inflation-indexed charge (IIC). To compute their 2001 IIC screen, carriers are to increase the appropriate 2000 screen by 3.7 percent. The following are the codes subject to the reasonable charge update:

Medical Supplies (DMERC Jurisdiction)
A4570

Medical Supplies (Local Carrier Jurisdiction)
A4580 A4590

Dialysis Supplies and Equipment (DMERC Jurisdiction)

A4650 A4655 A4660 A4663 A4680 A4690 A4700 A4705 A4712 A4714 A4730 A4735
A4740 A4750 A4755 A4760 A4765 A4770 A4771 A4772 A4773 A4774 A4780 A4790
A4820 A4850 A4860 A4870 A4880 A4900 A4901 A4905 A4910 A4912 A4914 A4918
A4919 A4920 A4921 A4927 E1510 E1520 E1530 E1540 E1550 E1560 E1570 E1575 E1580
E1590 E1592 E1594 E1600 E1610 E1615 E1620 E1625 E1630 E1632 E1635 E1636 E1640

Therapeutic Shoes (DMERC Jurisdiction)

A5500 A5501 A5502 A5503 A5504 A5505 A5506 A5507

Parenteral and Enteral Nutrition (DMERC Jurisdiction)*

B4034 B4035 B4036 B4081 B4082 B4083 B4084 B4085 B4150 B4151 B4152 B4153
B4154 B4155 B4156 B4164 B4168 B4172 B4176 B4178 B4180 B4184 B4186 B4189
B4193 B4197 B4199 B4216 B4220 B4222 B4224 B5000 B5100 B5200 B9000 B9002
B9004 B9006 E0776XA

Intraocular Lenses (Local Carrier Jurisdiction)

V2630 V2631 V2632

Blood Products (Local Carriers)

P9010 P9011 P9012 P9013 P9016 P9017 P9018 P9019 P9020 P9021 P9022

Transfusion Medicine (Local Carriers)

86850 86860 86870 86880 86885 86886 86890 86891 86900 86901 86903 86904 86905
86906 86915 86920 86921 86922 86927 86930 86931 86932 86945 86950 86965 86970
86971 86972 86975 86976 86977 86978 86985 89250 89251 89252 89253 89254 89255
89256 89257 89258 89259 89260 89261 89264

* In accordance with §4551(b) of the Balanced Budget Act of 1997, the reasonable charges for PEN for each of the years 1998 through 2002 may not exceed the 1995 reasonable charges.

The *effective date* for this Program Memorandum (PM) is January 1, 2001.

The *implementation date* for this PM is January 1, 2001.

These instructions should be implemented within your current operating budget.

This PM may be discarded after July 1, 2001.

If you have any questions, contact Joel Kaiser at 410-786-4499.