
CMS Manual System

Pub. 100-20 One-Time Notification

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

Transmittal 51

Date: FEBRUARY 6, 2004

CHANGE REQUEST 3082

I. SUMMARY OF CHANGES: Changes in payment for services furnished in ambulatory surgical centers for fiscal year 2004.

NEW/REVISED MATERIAL - EFFECTIVE DATE: April 1, 2004

***IMPLEMENTATION DATE: April 5, 2004**

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual not updated)

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
N/A	

III. FUNDING: *Medicare contractors only:

These instructions should be implemented within your current operating budget.

IV. ATTACHMENTS:

	Business Requirements
	Manual Instruction
	Confidential Requirements
X	One-Time Notification

One-Time Notification

Pub. 100-20	Transmittal: 51	Date: February 4, 2004	Change Request 3082
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SUBJECT: Changes in Payment for Services Furnished in Ambulatory Surgical Centers for Fiscal Year 2004

I. GENERAL INFORMATION

A. Background: This notification describes changes in payment for services furnished in Ambulatory Surgical Centers during fiscal year 2004. The information in this One-Time Notification supersedes Transmittal AB-03-116 (CR 2871) that was issued on August 8, 2003. It reflects changes resulting from enactment of section 626(a) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, (MMA) on December 8, 2003.

B. Policy: In fiscal year 2004, beginning with April 1, 2004, the increase in ASC payment rates shall be the 2003 Consumer Price Index for all urban consumers (U.S. city average) (CPI-U) as estimated for the 12-month period ending March 31, 2003, minus 3.0 percentage points. The forecasted inflation of the CPI-U for the 12-month period ending March 31, 2003 was 3.0 percent. Therefore, the percentage increase of fiscal year 2003 ASC payment rates for fiscal year 2004 equals a 0 percent. Effective for services furnished on or after April 1, 2004, carriers shall revert to the ASC payment group rates that were implemented effective October 1, 2002.

Effective for services furnished on or after April 1, 2004, the ASC payment group rates are as follows:

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

Carriers are responsible for applying these new rates to claims for services furnished on or after April 1, 2004.

NOTE: The wage index rates remain unchanged. The wage index values issued in Transmittal AB-03-116 shall 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).

C. Provider Education: Carriers shall inform affected provider communities by posting either a summary or relevant portions of this instruction on their Web sites upon receipt of this issuance. In addition, this same information shall be published in your next regularly scheduled bulletin. If you have a listserv that targets the affected provider communities,

you must use it to notify subscribers that information about changes in ASC payment rates is available on your Web site.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement #	Requirements	Responsibility
1	Contractors shall apply the ASC group rates effective for dates of service on or after April 1, 2004.	Carriers and FIs
2	Contractors shall use the wage index values contained in Transmittal AB-03-116, dated August 8, 2003, to recalculate payment rates for all type of service F Healthcare Common Procedural Coding System (HCPCS) codes.	Carriers and FIs
3	Contractors shall publish relevant portions of this CR and locality specific ASC rates on their Web sites as soon as possible but no later than 2 weeks from the issuance date of this instruction	Carriers and FIs
3.1	Contractors shall publish provider education in their next regularly scheduled bulletin.	Carriers and FIs
3.2	Contractors who have a listserv that targets the affected provider communicates shall use their listservs to notify subscribers that the ASC group rates have changes for services performed on or after April 1, 2004 .	Carriers and FIs

III. SUPPORTING INFORMATION & POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

<i>X-Ref Requirement #</i>	<i>Instructions</i>

B. Design Considerations: N/A

<i>X-Ref Requirement #</i>	<i>Recommendation for Medicare System Requirements</i>

C. Interfaces: N/A

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

E. Dependencies: N/A

F. Testing Considerations: N/A

IV. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date: April 1, 2004</p> <p>Implementation Date: April 5, 2004</p> <p>Pre-Implementation Contact(s): Chuck Braver (410) 786-6719 for policy issues and Yvette Cousar (410) 786-2160 for Part B claims processing issues</p> <p>Post-Implementation Contact(s): Appropriate regional office</p>	<p>These instructions should be implemented within your current operating budget.</p>
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