
Program Memorandum Intermediaries

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

Transmittal A-02-024

Date: MARCH 27, 2002

This Program Memorandum re-issues Program Memorandum A-00-87, Change Request 1408 dated November 21, 2000. The only change is the discard date and the contact person; all other material remains the same.

CHANGE REQUEST 1408

SUBJECT: Off Label Use of Oral Chemotherapy Drugs Methotrexate and Cyclophosphamide

For claims with dates of service on or after January 1, 2000, the self-administrable oral chemotherapy (cancer) drugs Methotrexate (HCPCS code J8610) and Cyclophosphamide (HCPCS code J8530) have been identified as drugs that may also be used in immunosuppressive therapy for patients who have had organ transplants. As a result, pay providers for these drugs when billed either as an anti-cancer chemotherapeutic agent OR used in conjunction with immunosuppressive therapy.

When billing for these drugs, providers must either report a diagnosis of cancer OR an occurrence code 36 (and a corresponding date) on the bill. Providers must continue to report a diagnosis code of cancer when billing for these drugs when dispensed as an anti-cancer chemotherapeutic agent. (See §3660.13 of the Medicare Intermediary Manual (MIM), Part 3). When billing for these drugs used in conjunction with immunosuppressive therapy, providers must continue to report an occurrence code 36, and a corresponding date (the date of discharge for the inpatient hospital stay which the beneficiary received the transplant procedure) as explained in Program Memorandum (PM) AB-99-98, dated December 1999.

Currently, the Common Working File (CWF) edits the bill for a diagnosis of cancer when these HCPCS are reported. However, because of their expanded use in conjunction with immunosuppressive therapy, the CWF edit will be modified to accept either a diagnosis of cancer OR an occurrence code when these two HCPCS codes are reported. If you receive claims containing these HCPCS codes reported with the occurrence code 36 (indication that the drug is reported in conjunction with immunosuppressive therapy), suspend and hold them in your internal system. You may release them for payment April 1, 2001, after the necessary systems modifications have been made. At that time, you must pay any applicable interest. Interest is payable on "clean" claims not paid timely in accordance with the claims processing timeliness guidelines in §3600.1 of the MIM.

Do not search for previously adjudicated claims. However, reopen and reprocess claims brought to your attention.

Inform your providers of these instructions through your regularly scheduled newsletter.

The effective date for this PM is January 1, 2000.

The implementation date for this PM is April 1, 2001.

These instructions should be implemented within your current operating budget.

This PM may be discarded after March 31, 2003.

If you have any questions, contact your regional office or intermediaries may contact **Cindy Murphy at (410) 786-5733. Providers are to contact their appropriate intermediary.**