Program Memorandum Intermediaries/Carriers

Department of Health and Human Services (DHHS)

HEALTH CARE FINANCING ADMINISTRATION (HCFA)

Transmittal AB-00-58 **Date: JUNE 2000**

CHANGE REQUEST 1237

SUBJECT: GUIDANCE ON IMPLEMENTATION OF THE CY 2000 THIRD QUARTER RELEASE

The CY 2000 third quarter release of the Common Working File (CWF) and Medicare Claims Processing Standard Systems is targeted for implementation on August 14, 2000. Because of the complexity of these changes and the delay of the second quarterly release, contractors and maintainers are getting more time to test the upcoming changes. This will impact all carrier and fiscal intermediary (FI) systems and the CWF.

A number of change requests (CRs) are to be implemented on July 3, 2000 because they should require no standard systems changes, however, they could require individual contractor changes. Those CRs are listed below.

Please note: You may receive additional CRs (some that do not require systems changes), that were not finalized in time to include on this list. Please implement those CRs according to their instructions and stated effective dates.

Change Requests that will be implemented as originally scheduled on July 3, 2000:

710	Change of Clinical Psychologist (CP) Qualifications (Carrier)
899	Recognition and Write-Off of MSP (Carrier)
918	Collection and Submission of Data for PECOS (Carrier)
1012	Hospital OP PPS (Background)
1024	Procedures for Unsolicited / Voluntary Refund Checks
1057	Claims Review for Global Surgeries (Carrier)
1117	Hemodialysis Flow Study
1122*	Extension of Abbreviated Encounter Data
1123	Change Web Address for CPT Interest Changes (Intermediary and Carrier)
1160	Memo of Understanding Between Office of Investigations and the Federal Bureau of Investigations (FBI) - Sharing Fraud Referrals
1185	Carrier Adjustments for HCPCS 90669 (Carrier)
1197	Medicare + Choice Contract With Sterling Life (Carrier and Intermediary)
1200	Education and Outreach Coordination of Benefits Trading Partners
1202	Pay Amount for NTIOLS

****This CR requires a coding change for FISS but must be implemented 7/3/00 in order to guarantee the continuation of encounter data processing.***

The balance of the changes that would have been implemented according to the normal quarterly release schedule will occur at the target date. These changes fall into several categories as follows:

Change Requests that will be included in this release with no change to the effective date:

Even though the following changes will be made in this release, the effective dates of these changes will remain as reflected in the approved CR. In these cases, claims will continue to be processed as they are today until the third quarter release is installed on August 14. We will not be asking the

intermediaries and carriers to initiate any reprocessing. If the claims submitter wishes to resubmit such claims for appropriate adjustments after the August 14 release in order to benefit from the retroactive effective dates, the submitter will be able to do so. These change requests are:

681 Do Not Forward Medicare Checks Initiative ***(Carriers Only***)
1058 Adjustments to RA, EOMB, MSN Messages Relating to Facility / Non-Facility Differential (MPFSDB)
1060 National Emphysema Treatment Trial (NETT) - Medicare Carrier Manual Instructions
1064 Payment Safeguard Review of Skilled Nursing Facility Prospective Payment Bills ***(Only the MSN Portion of This CR Should be Implemented in This Release)***
1082 Use of New Oxygen CMN
1086 BBRA of 1999 Revision of Provisions Relating to Therapy Services - Permanent Fix for Therapy Cap
1113 Complete Process of Paying for All CORF Services on Fee Schedule Basis
1114 Hospital Outpatient Radiology Services
1125 Carriers: New coverage of Oral Anti-Cancer Drugs
1139 Y2000 Jurisdiction List (Carrier)
1144 DMERCs: Report on Expansion of Immunosuppressive Drugs
1148 DMERCs / CWF Changes for Code J8999, E0784 and Codes A4230 - A4232
1159 New Temporary K Codes for Hydrogel Impregnated Gauze
1169 DMEPOS Update (Carrier)
1173 Comprehensive Error Rate Testing Program (CERT) - DMERC
1212 July DMEPOS Correction

Change Requests that will be deferred with a change in the effective date synonymous with the release date of August 14, 2000:

These following changes will be deferred and their effective dates will now coincide with the date of the release, August 14. In these cases, submitters can submit the claims without interruption. These change requests are:

1080 Requirements for Line Expansion for the UB-92 Flat File
1103 Reducing Barriers to Pneumococcal Vaccine
1106 Religious Non-Medical Health Care Instructions
1115 Addition of 3 New Oral Anti-Cancer Drug HCPCS Codes and Edits
1151 Line Item Expansion for the COB UB-92 Flat File
1176 Correct Coding Initiative (CCI) and COTS Quarterly Updates (Carrier)
1182 HDC Contractor IDs for Encounter Data Processing
1196 Clarification of Billing for G0170 and G0171
1209 New Waived and PPMP Tests

Change Requests in the release with a new effective date of August 1, that will be implemented August 14, 2000:

In these cases, claims will continue to be processed as they are today until the effective date of August 1, 2000. All hospital outpatient PPS claims ***with dates of service of August 1, 2000, or later,*** must be held for the period of August 1, 2000 until the August 14 implementation of this release**.** (Claims for dates of service prior to August 1 are not covered by the PPS and can be processed under the existing systems.)

The following bill types, ***when containing dates of service of August 1, 2000, or later,*** are subject to outpatient PPS:

- All outpatient hospital Part B bills (bill types 12X, 13X), with the exception of bills from hospitals in Maryland, Indian health service, CAH bills, and hospitals in American Samoa, Guam, and Saipan;

- CMHC bills (bill type 76X);

- CORF and HHA bills containing certain HCPCS codes as described in "New HCPCS Coding Requirements for CORFs and HHAs" (bill types 75X or 34X); and

- Any bill containing a condition code 07 with certain HCPCS codes as described in "New HCPCS Coding Requirements for CORF and HHAs".

1220* Revised Outpatient Code Editor (OCE) Specifications for Outpatient PPS
1229* Hospital Outpatient PPS Implementation Instructions

****These are replacements for CR 1141 and CR 1140 respectively.***

Provider Notification

Intermediaries and carriers should review the delayed Crs to determine the impact on providers and take appropriate steps to convey relevant information about this Program Memorandum (PM), and the CRs mentioned herein, to their provider communities. This includes posting these instructions on your web site, providing this information to your customer service representatives who deal with providers, contacting relevant provider associations, etc.

If any provider educational events, training classes, or speaking engagements are planned for June and July, notify your trainers/speakers to include relevant information regarding this PM in their remarks. With regard to the Outpatient PPS, please reinforce the message that the effective date of the PPS is August 1, 2000, i.e., the OP PPS will apply to outpatient claims with dates of service on or after August 1, 2000. Also, clarify to providers, when asked, that the implementation date simply refers to the date when Medicare systems will be ready to process these claims, but because of the payment floor, an implementation date of August 14 should not result in any payment delays.

The *effective date* for this PM is July 1, 2000.

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 Joseph Broseker at (410) 786-1950, Chester Robinson at (410) 786-6963, Karen Allen at (410) 786-1705, or Maureen Hoppa at (410) 786-6958.