
CMS Manual System

Pub. 100-04 Medicare Claims Processing

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

Transmittal 260

Date: JULY 30, 2004

CHANGE REQUEST 3168

I. SUMMARY OF CHANGES: This instruction manualizes Medicare payment for Cryosurgery of the Prostate and changes the revenue code to be used by providers in billing for this service. In Change Request 1632, Transmittal 1835, dated June 11, 2001, the revenue code for Cryosurgery was stated as 034X, the correct revenue code is 036X.

MANUALIZATION - EFFECTIVE DATE: January 1, 2005

***IMPLEMENTATION DATE: January 3, 2005**

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 = REVISED, N = NEW, D = DELETED)

| R/N/D | CHAPTER/SECTION/SUBSECTION/TITLE |
|-------|---|
| R | 18/ Table of Contents |
| N | 18/51/Cryosurgery of the Prostate Gland |
| N | 18/51/51.1/Coverage Requirements |
| N | 18/51/51.2/Billing Requirements |
| N | 18/51/51.3/Payment Requirements |

***III. FUNDING:**

These instructions should be implemented within your current operating budget.

IV. ATTACHMENTS:

| | |
|---|-------------------------------|
| X | Business Requirements |
| X | Manual Instruction |
| | Confidential Requirements |
| | One-Time Notification |
| | Recurring Change Notification |

***Medicare contractors only**

Attachment - Business Requirements

| | | | |
|-------------|------------------|---------------------|---------------------|
| Pub. 100-04 | Transmittal: 260 | Date: July 30, 2004 | Change Request 3168 |
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SUBJECT: Cryosurgery of the Prostate

I. GENERAL INFORMATION

This instruction was implemented on July 1, 1999, but was not incorporated in the new Internet Only Manual. Also, the revenue code that was reported in the previous release, CR 1632, Transmittal 1835, dated June 11, 2001 was incorrect; instead of 034X it should be 0361.

A. Background:

Cryosurgery of the prostate gland, also known as cryosurgical ablation of the prostate (CAP), destroys prostate gland tissue by applying extremely cold temperatures, this reduces the size of the prostate gland.

B. Policy:

The policy was revised to allow coverage of cryosurgery under Medicare only for primary treatment of patients with clinically localized prostate cancer, Stages T1-T3.

C. Provider Education:

A Medlearn Matters provider education article related to this instruction will be available at www.cms.hhs.gov/medlearn/matters shortly after the CR is released. You will receive notification of the article release via the established "medlearn matters" listserv. Contractors shall post this article, or a direct link to this article, on their website and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article must be included in your next regularly scheduled bulletin. Contractors are free to supplement Medlearn Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly."

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

| Requirement # | Requirements | Responsibility |
|---------------|--|----------------|
| 3168.1 | The FI shall pay for cryosurgery of the prostate gland only when the services are submitted on one of the following of type bills (TOBs): 11X, 13X, 83X, or 85X. | FI, SSM |

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| 3168.2 | The FI shall edit claims to ensure accurate coding for billing cryosurgery of the prostate. | FI, SSM |
| 3168.2.1 | The FI shall look for the following when processing claims with outpatient cryosurgery services: <ul style="list-style-type: none"> - Diagnosis Code 185; and - CPT code 55873 with revenue code 0361. | FI, SSM |
| 3168.2.2 | The FI shall look for the following when processing claims with inpatient cryosurgery services: <ul style="list-style-type: none"> - Diagnosis Code 185; and - Procedure Code 60.62. | FI, SSM |
| 3168.3 | The FI shall pay for cryosurgery services performed on an inpatient or outpatient basis in CAHs, TOB 11X and 85X at: 101% of reasonable cost minus any applicable deductible and coinsurance. | FI |
| 3168.4 | The FI shall pay for cryosurgery services performed on an inpatient basis in short term acute care hospitals, TOB 11X (including those in Guam, American Samoa, Virgin Islands, Saipan and Indian Health Services Hospitals) at: the DRG payment minus any applicable deductible and coinsurance. | FI |
| 3168.5 | The FI shall pay for cryosurgery services performed on an outpatient basis in hospitals subject to the Outpatient PPS, type of bill 13X at: the assigned APC minus any applicable deductible and coinsurance. | FI |
| 3168.6 | The FI shall pay for cryosurgery services performed on an outpatient basis in hospitals exempted from OPSS (such as those in American Samoa, Virgin Islands, Guam and Saipan) type of bill 13X or 83X at: reasonable cost minus any applicable deductible and coinsurance, where the 83X TOB is subject to the ASC payment limitation. | FI |

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|--------|---|----|
| 3168.7 | The FI shall pay for cryosurgery services performed on an outpatient basis in Indian Health Service hospitals, type of bill 13X and 83X at: reasonable cost subject to the ASC payment limitation minus any applicable deductible and/or coinsurance. | FI |
| 3168.8 | The FI shall pay for cryosurgery services performed on an inpatient basis: hospitals that are exempt from inpatient acute care PPS shall be paid on reasonable cost basis minus any applicable deductible and/or coinsurance. | FI |
| 3168.9 | The FI shall pay for cryosurgery services in Maryland hospitals, on an inpatient or outpatient basis according to the Maryland State Cost Containment plan, minus any applicable deductible and coinsurance. | FI |

III. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

- A. Other Instructions: N/A
- B. Design Considerations: N/A
- 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:

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| <p>Effective Date: January 1, 2005</p> <p>Implementation Date: January 3, 2005</p> <p>Pre-Implementation Contact(s): Taneka Rivera 410-786-9502 or Doris Barham 410-786-6146</p> <p>Post-Implementation Contact(s): Contact your local Regional Office</p> | <p>These instructions should be implemented within your current operating budget.</p> |
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Medicare Claims Processing Manual

Chapter 18 - Preventive and Screening Services

(Rev. 260, 07-30-04)

51 - Cryosurgery of the Prostate Gland

51.1 - Coverage

51.2 - Billing

51.3 - Payment

51 – Cryosurgery of the Prostate Gland

(Rev. 260, Issued 07-30-04, Effective: 01-01-05/Implementation: 01-03-05)

Cryosurgery of the prostate gland, also known as cryosurgical ablation of the prostate (CAP), destroys prostate tissue by applying extremely cold temperatures in order to reduce the size of the prostate gland

51.1 - Coverage Requirements

(Rev. 260, Issued 07-30-04, Effective: 01-01-05/Implementation: 01-03-05)

Medicare covers cryosurgery of the prostate gland effective for claims with dates of service on or after July 1, 1999. The coverage is for:

- 1. Primary treatment of patients with clinically localized prostate cancer, Stages T1 – T3 (diagnosis code is 185 – malignant neoplasm of prostate).*
- 2. Salvage therapy (effective for claims with dates of service on or after July 1, 2001 for patients:
 - a. Having recurrent, localized prostate cancer;*
 - b. Failing a trial of radiation therapy as their primary treatment; and*
 - c. Meeting one of these conditions: State T2B or below; Gleason score less than 9 or; PSA less than 8 ng/ml.**

51.2 - Billing Requirements

(Rev. 260, Issued 07-30-04, Effective: 01-01-05/Implementation: 01-03-05)

Claims for cryosurgery for the prostate gland are to be submitted on Form CMS – 1450 or electronic equivalent. This procedure can be rendered in an inpatient or outpatient hospital setting (types of bill (TOB) 11x 13x, 83x, and 85x).

The FI will look for the following when processing claims with cryosurgery services:

- Diagnosis Code 185 (must be on all cryosurgical claims);*
- For outpatient claims HCPCS 55873 and revenue code 0361, Cryosurgery ablation of localized prostate cancer, stages T1- T3 (includes ultrasonic guidance for interstitial cryosurgery probe placement, postoperative irrigations and aspiration of sloughing tissue included) must be on all outpatient claims; and*

- *For inpatient claims procedure code 60.62 (perineal prostatectomy- the definition includes cryoablation of prostate, cryostatectomy of prostate, and radical cryosurgical ablation of prostate) must be on the claim.*

51.3 – Payment Requirements

(Rev. 260, Issued 07-30-04, Effective: 01-01-05/Implementation: 01-03-05)

This service may be paid as a primary treatment for patients with clinically localized prostate cancer, Stages T1 – T3. The ultrasonic guidance associated with this procedure will not be paid for separately, but is bundled into the payment for the surgical procedure. When one provider has furnished the cryosurgical ablation and another the ultrasonic guidance, the provider of the ultrasonic guidance must seek compensation from the provider of the cryosurgical ablation.

Effective July 1, 2001, cryosurgery performed as salvage therapy, will be paid only according to the coverage requirements described above.

Type of facility and setting determines the basis of payment:

- *For services performed on an inpatient or outpatient basis in a CAH, TOBs 11x and 85x: the FI will pay 101 percent of reasonable cost minus any applicable deductible and coinsurance.*
- *For services performed on an inpatient basis in short term acute care hospitals, (including those in Guam, American Samoa, Virgin Islands, Saipan, and Indian Health Services Hospitals) TOB 11x: the FI will pay the DRG payment minus any applicable deductible and coinsurance.*
- *For services performed on an outpatient basis in hospitals subject to the Outpatient PPS, TOB 13x: the FI will pay the assigned APC minus any applicable deductible and coinsurance.*
- *For outpatient services in hospitals that are exempt from OPPS (such as in American Samoa, Virgin Islands, Guam, and Saipan) TOBs 13x or 83x: the FI will pay reasonable cost subject to the ASC payment limitation for TOB 83x, minus any applicable deductible and coinsurance.*
- *For outpatient services in Indian Health Service hospitals TOBs 13x and 83x: the FI will pay reasonable cost subject to the ASC payment limitation for TOB 83x, minus any applicable deductible and coinsurance.*
- *For inpatient or outpatient services in hospitals in Maryland, make payment according to the State Cost Containment system.*

- *For services performed on an inpatient basis: the hospitals exempt from inpatient acute care PPS shall be paid on reasonable cost basis, minus any applicable deductible and coinsurance.*