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# Program Memorandum Intermediaries/Carriers

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

Transmittal AB-00-85

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## CHANGE REQUEST 1308

### SUBJECT: GUIDANCE ON IMPLEMENTATION OF THE CY 2000 FOURTH QUARTER RELEASE

The CY 2000 fourth quarter release of the Common Working File (CWF) and Medicare Claims Processing Standard Systems would normally be implemented on October 2, 2000. However, because of the complexity of these changes and the delay of the third quarterly release, HCFA is going to implement the release in two phases. This will impact all carrier and fiscal intermediary (FI) systems and the CWF.

The first phase of the fourth quarter release includes a number of change requests (CRs) that are to be implemented on October 2, 2000. These CRs fall into two categories. Category 1 requires no standard systems changes, however, they could require individual contractor changes. Category 2 requires systems changes for the standard systems. The CRs in each category are listed below.

In addition, CR 1203, Line Item Denials and the Reporting of Savings Generated by Claim Expansion and Line Item Processing, has been moved out of the October release.

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

#### **Category 1 – Change Requests that will be implemented as originally scheduled on October 2, 2000 that require no systems changes:**

- 1118 Coverage of Non-Invasive Vascular Studies when used to monitor the Access Site of End Stage Renal Disease (ESRD) Patients
- 1172 Medicare Fraud Information Specialist (MFIS) Position
- 1247 Analysis of Services Provided in Congregate Settings
- 1264 Transition to the Home Health Prospective Payment System (HHPPS) – Informational
- 1270 Payment of Skilled Nursing Facility (SNF) Claims for Beneficiaries Disenrolling from Terminating Medicare+Choice (M+C) Plans Who Have Not Met the 3-Day Hospital Stay Requirement (manual process to be followed until January when the system changes are completed)
- 1285 Medical Review Progressive Corrective Action (PCA)
- 1299 Supplemental Security Income (SSI)/Medicare Beneficiary Data for Fiscal Year 1999 for Prospective Payment System (PPS) Hospitals

#### **Category 2 – Change Requests that will be implemented as originally scheduled on October 2, 2000 that require systems changes:**

- 1002 Stem Cell Transplantation for Multiple Myeloma
- 1129 Changes to FY 2000 Hospital Inpatient Prospective Payment System (PPS) Policies as Required by the Medicare, Medicaid, and State-Child Health Insurance Program Balanced Budget Refinement Act of 1999 (BBRA), P.L. 106-113

- 1132 Pancreas Transplants, is revised to correct the ICD-9-CM code listed
- 1162 Claims Processing Instructions for Claims Submitted with a Written Statement of Intent (FI changes only. See Category 4 for Carrier and DMERC changes.)
- 1204 ICD-9-CM Annual Update
- 1211 Establishment of Code for Echocardiography Contrast Agents
- 1223 SNF PPS Rates – Annual Update Case Mix Requirements
- 1235 Change in Hospice Payment Rates, Update to the Hospice Cap, Revised Hospice Wage Index and Hospice PRICER
- 1261 Physician Fee Schedule Database Quarterly Update
- 1295 ASC CPT Codes and Inflation Adjustment – Annual Update
- 1307 Hospital Outpatient PPS Quarterly Update
- 1315 Home Health PPS Phase in Plan – Contingency Plan and Instructions
- 1331 FY 2001 PPS Hospital and other Billing Changes (GROUPER, MCE)

In the second phase of the fourth quarter release are the remaining change requests that will be implemented on October 30, 2000. These CRs also fall into two categories. Category 3 requires system changes with no change to the effective date. Category 4 requires system changes with a change in the effective date synchronous with the release date. Those CRs are listed below:

**Category 3 – Change Requests that will be deferred and implemented on October 30, 2000 with no change to the effective date:**

Even though the following changes will be deferred until **October 30**, the effective dates of these changes will remain as reflected in the approved CR. These change requests are:

- 514 Business and System Requirements for HHPPS (See CR 1315 for instructions on how to handle claims from October 1, 2000 through October 29, 2000)
- 1183 Business Requirements for Processing Physician Encounter Data in the HCFA Data
- 1194 Centralized Billing Instructions for Mass Immunizers of Flu and PPV Vaccinations (MCS only – hold claims from October 1, 2000 through October 29, 2000 and process on implementation)
- 1325 Addition of Special Project Code #39 - Centralized Billing of Flu and PPV Claims, to CWF

**Category 4 – Change Requests that will be deferred with a change in the effective date synchronous with the release date of October 30, 2000:**

These following changes will be deferred and their effective dates will now coincide with the release of **October 30**. These change requests are:

- 1111 Review of Hospice Billing - Code Changes
- 1119 BBRA Sec. 403(d) – CAH – Outpatient Services May Be Billed at an All-Inclusive Rate
- 1127 Changes to DMERC Information Form: Immunosuppressive Drugs
- 1154 Chiropractic Services
- 1158 Hard Coding of Duplicate Edits (FISS and VMS only)
- 1162 Claims Processing Instructions for Claims Submitted with a Written Statement of Intent (Carrier and DMERC changes. See Category 2 for FI changes)
- 1173 Comprehensive Error Rate Testing (CERT) Program -- Medicare Contractor Change Requirements and Medicare Part B/DMERC Standard System Change Requirements (VMS only)
- 1224 SNF – Adjustment Billing Center (An Operational Policy Letter will be forthcoming)
- 1228 Addition of Five New ‘WW’ Codes to Identify a New Source for Methotrexate
- 1262 Addition of “WW” Codes to Identify a New Source for an Oral Anti-Cancer Drug in Dosages of 25mg and 100mg
- 1271 Correct Coding Initiative (CCI) & COTS Quarterly Updates
- 1306 Management Reports System Medical Review (Carrier changes –previously CR 1035)

**Provider Notification**

You will receive further instructions regarding provider notification.

**The *effective dates* and *implementation dates* for this PM are described in categories 1 through 4 above.**

**These instructions should be implemented within your current operating budget.**

**This PM may be discarded after October 1, 2001.**

**If you have any questions, contact the initiator of the specific Change Request, Karen Allen at (410) 786-1705, or Anita Denion at (410) 786-7022.**