

Program Memorandum Intermediaries/Carriers

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

Transmittal AB-01-118

Date: AUGUST 31, 2001

CHANGE REQUEST 1803

SUBJECT: Reasonable Charge Update for 2002 for Items and Services, Other Than Ambulance and Laboratory Services

Where payment continues to be made on a reasonable charge basis for items and services, other than ambulance and laboratory services, carriers are to compute 2002 customary and prevailing charge updates using actual charge data from July 1, 2000, to June 30, 2001. Instructions regarding payment for ambulance and laboratory services still subject to reasonable charges will be provided under separate cover. Additional instructions regarding payment for dialysis supplies and equipment will also be provided under separate cover. All of the codes below are subject to the inflation-indexed charge (IIC). To compute their 2002 IIC screen, carriers are to increase the appropriate 2001 screen by 3.2 percent. The following are the codes subject to the reasonable charge update:

Splints and Casts (Local Carrier Jurisdiction)*

A4565 Q4001 Q4002 Q4003 Q4004 Q4005 Q4006 Q4007 Q4008 Q4009 Q4010 Q4011
Q4012 Q4013 Q4014 Q4015 Q4016 Q4017 Q4018 Q4019 Q4020 Q4021 Q4022 Q4023
Q4024 Q4025 Q4026 Q4027 Q4028 Q4029 Q4030 Q4031 Q4032 Q4033 Q4034 Q4035
Q4036 Q4037 Q4038 Q4039 Q4040 Q4041 Q4042 Q4043 Q4044 Q4045 Q4046 Q4047
Q4048 Q4049

Dialysis Supplies and Equipment (DMERC Jurisdiction)

A4651 A4652 A4656 A4657 A4660 A4663 A4680 A4690 A4706 A4707 A4708 A4709
A4712 A4714 A4719 A4720 A4721 A4722 A4723 A4724 A4725 A4726 A4730 A4736
A4737 A4740 A4750 A4755 A4760 A4765 A4766 A4770 A4771 A4772 A4773 A4774
A4801 A4802 A4860 A4870 A4911 A4918 A4927 A4928 A4929 E1500 E1510 E1520
E1530 E1540 E1550 E1560 E1570 E1575 E1580 E1590 E1592 E1594 E1600 E1610
E1615 E1620 E1625 E1630 E1632 E1635 E1636 E1637 E1638 E1639

Therapeutic Shoes (DMERC Jurisdiction)

A5500 A5501 A5503 A5504 A5505 A5506 A5509 A5510 A5511

Intraocular Lenses (Local Carrier Jurisdiction)

V2630 V2631 V2632

* The codes for splints and casts are **only** to be used for splints and casts **used to reduce a fracture or dislocation**. Program Memorandum (PM) AB-01-60 contains gap-filled reasonable charges to be used in paying claims for splints and casts furnished in 2001. These gap-filled amounts have been increased by the 2002 IIC update factor of 3.2 percent and are listed below. These amounts should be used in making payment for splints and casts furnished in 2002.

2002 Payment Amounts for Splints and Casts

A4565	\$6.30	Q4025	\$27.72
Q4001	\$35.89	Q4026	\$86.53
Q4002	\$135.65	Q4027	\$13.86
Q4003	\$25.78	Q4028	\$43.27
Q4004	\$89.25	Q4029	\$21.19
Q4005	\$9.50	Q4030	\$55.78
Q4006	\$21.42	Q4031	\$10.60
Q4007	\$4.76	Q4032	\$27.89
Q4008	\$10.71	Q4033	\$19.76
Q4009	\$6.34	Q4034	\$49.17
Q4010	\$14.28	Q4035	\$9.89
Q4011	\$3.17	Q4036	\$24.59
Q4012	\$7.14	Q4037	\$12.06
Q4013	\$11.54	Q4038	\$30.21
Q4014	\$19.48	Q4039	\$6.04
Q4015	\$5.77	Q4040	\$15.11
Q4016	\$9.74	Q4041	\$14.66
Q4017	\$6.68	Q4042	\$25.03
Q4018	\$10.65	Q4043	\$7.33
Q4019	\$3.34	Q4044	\$12.52
Q4020	\$5.33	Q4045	\$8.51
Q4021	\$4.94	Q4046	\$13.69
Q4022	\$8.92	Q4047	\$4.25
Q4023	\$2.48	Q4048	\$6.85
Q4024	\$4.46	Q4049	\$1.55

The *effective date* for this PM is January 1, 2002.

The *implementation date* for this PM is January 1, 2002.

These instructions should be implemented within your current operating budget.

This PM may be discarded after October 1, 2002.

If you have any questions, contact Joel Kaiser at (410) 786-4499.