
Program Memorandum Intermediaries/Carriers

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

Transmittal AB-01-127

Date: SEPTEMBER 14, 2001

CHANGE REQUEST 1852

SUBJECT: Year 2002 Healthcare Common Procedure Coding System (HCPCS) Annual Update Reminder

This Program Memorandum (PM) is our annual reminder that the 2002 HCPCS file and its print file will be made available via the CMS's mainframe telecommunications system. The files may be retrieved after 8:00 p.m., eastern standard time, on October 10, 2001.

The paper documentation cover memorandum, HCPCS tape characteristics and record layout, and transaction list printouts will be sent to you via U.S. Postal Service priority mail. The alpha-numeric index and the table of drugs will be posted on the CMS web site by October 24, 2001.

The web site address is <http://www.hcfa.gov/stats/pufiles.htm#alphanu>.

The new HCPCS update is effective for dates of services on or after January 1, 2002. The 3-month grace period still applies to discontinued HCPCS codes. The grace period applies to claims received prior to April 1, 2002, which include 2001 discontinued codes for dates of service January 1, 2002, or later. You must accept both 2001 discontinued codes and valid 2002 codes from physicians, suppliers, and providers during the January – March 2002 grace period. The HCPCS grace period also applies to Durable Medical Equipment Regional Carriers (DMERCs).

Intermediaries, carriers, and DMERCs should remind providers of the grace period no later than 45 days after the date of this PM. This reminder can be posted on your web site before your periodic bulletins are issued.

Upon receipt of the new HCPCS file, you should carefully review all new codes. Be particularly careful about new drug codes, as code numbers for deleted drugs may be reused after an appropriate interval.

The January 2002 Outpatient Code Editor (OCE) will contain both the 2002 discontinued codes and the new 2002 codes. The next OCE release in 2002 will contain only the 2002 codes.

New Type of Procedure Codes for 2002

The American Medical Association (AMA) has established a new category of CPT codes, called CPT Category III Tracking Codes. The CPT tracking codes were developed by the AMA to track new and emerging technologies. These codes consist of 4 numeric digits and one alpha at the end, i.e., 0001T. Some of these codes are carrier priced and others may be non-covered. The Medicare Physician Fee Schedule Data Base for January 1, 2002, will contain the correct status indicators. Contractors should be aware of any system implications that may occur due to the 5th position being an alpha. (For example, if you recognize anesthesia services by looking at the first two digits, you must now look at the whole code.)

2002 HCPCS File

Instructions on how to retrieve the 2002 HCPCS file are attached. If you have any questions about HCPCS, contact the appropriate staff:

Susan Watson, for CMS's mainframe telecommunications system retrieval assistance at (410) 786-1822;

Leo Porter for technical assistance at (410) 786-1816;

Carolyn K. Riley for questions pertaining to new, discontinued, or revised alpha-numeric codes at (410) 786-5323;

Marsha Mason-Wonsley for questions pertaining to new, discontinued, or revised CPT-4 codes at (410) 786-9375;

Angela Costello for questions pertaining to DMERC issues at (410) 786-1554;

Patricia Gill for questions pertaining to operational issues for carriers at (410) 786-1297; and

Barbara Strickland for questions about operational issues for intermediaries at (410) 786-0508.

For questions regarding DMEPOS alpha-numeric codes, contact the Statistical Analysis DME Regional Carriers (SADMERC) helpline at (803) 736-6809.

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 the appropriate regional office.

Attachment

ATTACHMENT

Instructions for the Retrieval of the 2002 HCPCS via CMS's Mainframe Telecommunications System (Formerly Network Data Mover)

Listed below are the most common problems encountered when carriers/ intermediaries receive data via the mainframe telecommunications system:

- o Receipt was performed in interactive mode, rather than in batch. If transmission is performed interactively, it is impossible for the Division of Health Plan and Provider Data (DHPPD) to access the log to verify the transmission success/failure.
- o Omission or change of NEWNAME parameter. Omission of this parameter makes it extremely difficult and cumbersome for DHPPD to access the log to verify transmission success/failure. Make sure that the NEWNAME parameter equals HCPCS.
- o Omission or change of START parameter. This parameter establishes the starting time for the batch job. As stated earlier, transmission must occur during the evening hours. Setting the START to 20:00:00 hours assures that transmission will not commence prior to 8:00 p.m. eastern standard time.

NOTE: In order not to incur additional transmission line cost, transmission must occur during the evening hours, specifically after 8:00 p.m., eastern standard time.

The following is the JCL required for setting up a mainframe telecommunications system transmission of the 2002 HCPCS file from the CMS's Data Center.

```
*****  
//UID#HCPC JOB (ACCTNG),'NAME',MSGCLASS=A,CLASS=C,  
// MSGLEVEL=(1,1)  
//DMBATCH EXEC PGM=DMBATCH,REGION=512K,PARM=(YYSLYNN)  
//DMPUBLIB DD DSN= NDM.PROCESS.LIBRARY,DISP=SHR  
//DMMSGFIL DD DSN= NDM.MESSAGE.LIBRARY,DISP=SHR  
//DMNETMAP DD DSN= NDM.NETWORK.MAP,DISP=SHR  
//DMPRINT DD SYSOUT=*  
//NDMCMDS DD SYSOUT=*  
//SYSUDUMP DD SYSOUT=*  
//SYSPRINT DD SYSOUT=*  
//SYSIN DD *  
SIGNON USERID=(NDM USERID) -  
NODE= NDM NODE ID -  
NETMAP= NDM NETWORK MAP  
SUBMIT DSN= PROCESS LIBRARY MEMBER -  
STARTT=(,20:00:00) -  
NEWNAME=HCPCS  
SIGNOFF  
/*  
//
```

Prior to submitting this job, please supply the following parameters particular to your job site:

UID#	= Your system User ID
ACCTNG	= Accounting Information, if applicable
NAME	= Programmer's Name
NDM.PROCESS.LIBRARY	= NDM Process Library for your system
NDM.MESSAGE.LIBRARY	= NDM Message Library for your system
NDM.NETWORK.MAP	= NDM Network Map File for your system
NDM USERID	= NDM User ID for your system
NDM NODE	= NDM Node ID for your system
PROCESS LIBRARY MEMBER	= Member where the code for the NDM COPY (see below) is stored

Place the following code in your process library. This code will be executed from within the mainframe telecommunications system to perform the copying of the 2002 HCPCS data from a file at the CMS's Data Center to a file at your processing site.

```

HCPCS PROCESS  PNODE= NDM NODE -
                SNODE=NDM.HCFA -
                SNODEID=(TWXX, PASSWD) -
                PACCT= 'ACCTNG' -
                &DSN= DATASET NAME

```

```

STEP01 COPY -
  FROM -
    (DSN=CMS FILE
    DISP=SHR -
    SNODE) -
  TO -
    (DSN=&DSN -
    DISP=(,CATLG,DELETE) -
    UNIT= UNIT ID -
    PNODE)

```

Supply the following parameters particular to your job site:

NDM NODE	= NDM Node ID for your system
TWXX	= NDM User ID for CMS's system
PASSWD	= Password to access NDM at CMS
ACCTNG	= Accounting Information (if required)
DATASET NAME	= File to receive CMS data transmission
CMS FILE	= P@HCP.@AAA2360.HCP2002.CONTR (This is the 2002 HCPCS file comprised of procedure and modifier codes.)
	= P@HCP.@AAA2360.HCPC2002.PRINT (This is the Print file of the 2002 HCPCS; a utility may be used to produce a printed copy of the HCPCS.)
UNIT ID	= Unit Identifier for your system