

CMS Manual System

Pub 100-04 Medicare Claims Processing

Transmittal 627

Department of Health &
Human Services

Centers for Medicare &
Medicaid Services

Date: JULY 29, 2005

Change Request 3902

SUBJECT: New Low Osmolar Contrast Material (LOCM) HCPCS Codes/Payment Criteria/Payment Level

I. SUMMARY OF CHANGES: To eliminate the restrictive criteria for the payment of Low Osmolar Contrast Media (LOCM) for non-hospital patients; as cited in Change Request 3728 to both provide the replacement codes for LOCM and specify payment for LOCM on the basis of the average selling price plus 6 percent.

NEW/REVISED MATERIAL :

EFFECTIVE DATE : January 1, 2005

IMPLEMENTATION DATE : October 31, 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. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS:

R = REVISED, N = NEW, D = DELETED

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	13/Table of Contents
R	13/30.1/Low Osmmolar Contrast Media (LOCM) (HCPCS Codes Q9945-Q9951)
R	13/30.1.1/Payment Criteria
R	13/30.1.2/Payment Level

III. FUNDING:

No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2005 operating budgets.

IV. ATTACHMENTS:

Business Requirements

Manual Instruction

**Unless otherwise specified, the effective date is the date of service.*

Attachment - Business Requirements

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SUBJECT: New Low Osmolar Contrast Material (LOCM) HCPCS Codes/Payment Criteria/Payment Level

I. GENERAL INFORMATION

A. Background:

1. Low Osmolar Contrast Material (LOCM) (HCPCS Codes Q9945-Q9951)

New HCPCS codes have been established for LOCM. See CR 3728 for associated business requirements.

2. Payment Criteria

Under previous policy, payment was made for LOCM furnished in connection with medically necessary imaging procedures for intrathecal procedures and in intravenous and intraarterial injections only if one or more of five medical conditions were present. These restrictive criteria are being removed from the Medicare Claims Processing Manual through this change request.

3. Payment Level

A new methodology has been developed for the payment of LOCM. See CR 3728.

B. Policy:

1. HCPCS codes A4644-A4646 have been replaced with Q9945-Q9951.

2. Based on a review of current medical practices regarding the use of contrast material, CMS has concluded that the presence of these medical conditions should no longer be a requirement for the payment of LOCM. Therefore, payment will be made for LOCM furnished as part of medically necessary imaging procedures, regardless of whether any of the medical conditions listed in previous instructions are present.

3. Effective April 1, 2005, payment for LOCM is made on the basis of the Average Sales Price (ASP) plus six percent in accordance with the standard methodology for drug pricing established by the Medicare Modernization Act (MMA) for other than hospital outpatient claims. Payment for the new Q-codes can be found in the respective quarterly Medicare Part B drug pricing files that are posted on the CMS website.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
	None									

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
3902.1	A 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 Web site and include information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin and incorporated into any educational events on this topic.			X						

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
	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.								

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

Effective Date*: January 1, 2005 Implementation Date: October 31, 2005 Pre-Implementation Contact(s): Roberta Epps at 410-786-4503 Post-Implementation Contact(s): Regional offices	No additional funding will be provided by CMS; contractor activities are to be carried out within their current operating budgets.
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*Unless otherwise specified, the effective date is the date of service.

Medicare Claims Processing Manual

Chapter 13 - Radiology Services and Other Diagnostic Procedures

Table of Contents

(Rev. 627, 07-29-05)

30.1 - Low Osmolar Contrast Media (LOCM) (HCPCS Codes *Q9945-Q9951*)

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(Rev.627, Issued: 07-29-05, Effective: 01-01-05, Implementation: 10-31-05)

HCPCS codes A4644-A4646 have been replaced with Q9945-Q0051.

30.1.1 - Payment Criteria

(Rev.627, Issued: 07-29-05, Effective: 01-01-05, Implementation: 10-31-05)

Carriers make separate payments for LOCM (HCPCS codes *Q9945-Q9951*) in the case of all medically necessary intrathecal radiologic procedures furnished to nonhospital patients. *Effective January 1, 2005* in the case of intraarterial and intravenous radiologic procedures, *the five restrictive criteria (a history of previous adverse reaction to contrast material, with the exception of a sensation of heat, flushing, or a single episode of nausea or vomiting; a history of asthma or allergy; significant cardiac dysfunction including recent or imminent cardiac decompensation, severe arrhythmia, unstable angina pectoris, recent myocardial infarction, and pulmonary hypertension; generalized severe debilitation; or sickle cell disease) for the payment of LOCM are eliminated.*

30.1.2 - Payment Level

(Rev.627, Issued: 07-29-05, Effective: 01-01-05, Implementation: 10-31-05)

Determine payment in the same manner as for a drug furnished incident to a physician's service.

The payment methodology for LOCM for the period of January 1, 2005 through March 31, 2005 is made in accordance with the established payment for calendar year 2004 using codes A4644-A4646.

Effective April 1, 2005 the method of payment for LOCM is the average sales price (ASP) plus six percent in accordance with the standard methodology for drug pricing established by the Medicare Modernization Act (MMA0 for other than hospital outpatient claims. Payments for the new Q codes can be found in the respective quarterly Medicare Part B drug pricing files that are posted on the CMS website.