



## October 2021 Update of the Ambulatory Surgical Center (ASC) Payment System

MLN Matters Number: MM12451

Related Change Request (CR) Number: 12451

Related CR Release Date: September 17, 2021

Effective Date: October 1, 2021

Related CR Transmittal Number: R11004CP

Implementation Date: October 4, 2021

### Provider Types Affected

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This MLN Matters Article is for ASCs submitting claims to Medicare Administrative Contractors (MACs) for services they provide to Medicare patients.

### Provider Action Needed

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CMS is making changes in the October 2021 ASC payment system update. This includes HCPCS updates. Make sure your billing staff knows about these changes.

### Background

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CR12451 includes Calendar Year (CY) 2021 payment rates for separately payable procedures/services, drugs and biologicals, including descriptors for new CPT and Level II HCPCS codes. We'll issue these files with CR 12451:

- October 2021 ASC Fee Schedule (ASCFS) File
- October 2021 ASC Payment Indicator (ASC PI) File
- October 2021 ASC Drug File
- July 2021 ASC Code Pair File
- October 2021 ASC Code Pair File

#### 1. Device Pass-Throughs and Offsets

[Section 1833 \(t\) \(6\) \(B\) Social Security Act](#) gives the information on the law that governs this policy.

##### a. Device Pass-Through Categories

We're establishing 1 new OPPS device pass-through category that we pay in ASCs. HCPCS code C1831 (Personalized interbody cage) is effective October 1, 2021.

We're also updating the device information for the device category for HCPCS code

C1761 (Catheter, transluminal intravascular lithotripsy, coronary). [Table 1 of CR12451](#) lists the coding and descriptor information for C1761 and C1831 as well as the device offset information.

### **b. Device Offset from Payment**

We determined the offsets apply to the device category for HCPCS code C1831. Always bill the device(s) in the C1831 category in the ASC setting with CPT code 22612. Refer to [Table 1 of CR12451](#) for the codes descriptors and offset pairings.

In the July 2021 update of the ASC Payment System [MM12341](#) we stated that you always bill the device in the HCPCS C1761 category with either CPT code 92928 (Percutaneous transcatheter placement of intracoronary stent(s), with coronary angioplasty when performed; single major coronary artery or branch) or HCPCS code C9600 (Percutaneous transcatheter placement of drug eluting intracoronary stent(s), with coronary angioplasty when performed; single major coronary artery or branch).

### **We're updating this list to add the following 2 CPT codes:**

- HCPCS code C9602 (Percutaneous transluminal coronary atherectomy, with drug eluting intracoronary stent, with coronary angioplasty when performed; single major coronary artery or branch)
- HCPCS code C9607 (Percutaneous transluminal revascularization of chronic total occlusion, coronary artery, coronary artery branch, or coronary artery bypass graft, any combination of drug-eluting intracoronary stent, atherectomy and angioplasty; single vessel).

These changes are retroactive to July 1, 2021. These changes are also in [Table 1 of CR12451](#).

## **2. Drugs and Biologicals**

### **a. New HCPCS Codes and Dosage Descriptors for Certain Drugs and Biologicals Payable in ASCs**

There are 14 new HCPCS codes for reporting drugs and biologicals in the ASC setting, which weren't previously available. These are effective on October 1, 2021. Seven of those new HCPCS codes replace expiring ones. The expiring HCPCS codes for these drugs and biologicals expire on October 1, 2021.

The new and old HCPCS codes as well as the descriptors and ASC PIs are in [Table 2 of CR12451](#).

### **b. HCPCS Codes for Drugs and Biologicals with Revised Long Descriptor as of October 1, 2021**

The long descriptors for HCPCS code J1443 and HCPCS code J2407 are revised on October 1, 2021. These long descriptor changes are in [Table 3 of CR12451](#).

### **c. Drugs and Biologicals with Payments Based on Average Sales Price (ASP)**

For CY 2021, we continue to make payment for nonpass-through drugs and biologicals at a single rate of ASP + 6%. This provides payment for both the acquisition cost and pharmacy overhead costs associated with the drug or biological. We update payments for drugs and biologicals on a quarterly basis as later ASP submissions are available. Updated payment rates effective October 1, 2021, are in the July 2021 update of ASC Addendum BB at [ASC Payment Rates](#)

### **d. Drugs and Biologicals Based on ASP Methodology with Restated Payment Rates**

We may correct payment rates for some drugs and biologicals based on the ASP methodology retroactively. These retroactive corrections typically occur on a quarterly basis. The list of drugs and biologicals with corrected payment rates is accessible on the first date of the quarter at [Ambulatory Surgical Center \(ASC\) Payment](#).

Suppliers who think they got an incorrect payment for drugs and biologicals due to these corrections may ask their MAC to adjust previously processed claims.

## **3. Skin Substitutes**

We package the payment for skin substitute products that don't qualify for hospital OPPS pass-through status into the OPPS payment for the associated skin substitute application procedure. We use this policy in the ASC payment system. The skin substitute products are divided into two groups:

- High-cost skin substitute products
- Low-cost skin substitute products for packaging purposes.

Only use high-cost skin substitute products in combination with the performance of 1 of the skin application procedures that CPT codes 15271-15278 describe.

Use low-cost skin substitute products in combination with the performance of 1 of the skin application procedures that HCPCS code C5271-C5278 describe.

All OPPS pass-through skin substitute products (ASC PI=K2) are in combination with 1 of the skin application procedures for CPT code 15271-15278. We assign new skin substitute HCPCS codes into the low-cost skin substitute group unless we have OPPS pricing data that demonstrates that the cost of the product is above either the mean unit cost of \$48 or per day cost of \$949 for CY 2021.

There are 3 new skin substitute HCPCS codes active as of October 1, 2021. We assign these packaged codes to the low-cost skin substitute group. These packaged codes are in [Table 4 of CR12451](#). ASCs shouldn't separately bill for packaged skin substitutes (ASC PI=N1) since packaged codes aren't reportable under the ASC payment system.

#### a. Skin Substitute Products Deleted as of October 1, 2021

We are deleting 2 skin substitute HCPCS codes as of October 1, 2021. These codes are in [Table 5 CR12451](#).

#### 4. Coverage Determinations

The fact that a drug, device, procedure or service has a HCPCS code and a payment rate under the ASC payment system doesn't imply coverage by the Medicare program. It shows only how we pay for the product, procedure, or service if we cover it.

Your MAC determines whether a drug, device, procedure, or other service meets all program requirements for coverage. For example, MACs determine that it's reasonable and necessary to treat the patient's condition and whether we exclude it from payment.

#### More Information

We issued [CR12451](#) to your MAC as the official instruction for this change.

For more information, contact your [MAC](#).

#### Document History

Date of Change	Description
September 17, 2021	Initial article released.

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