

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES
HEALTH AND RECOVERY SERVICES ADMINISTRATION
Olympia, Washington**

To: Ambulatory Surgery Centers
Managed Care Organizations

Memo #: 09-15
Issued: April 2, 2009

From: Douglas Porter, Assistant Secretary
Health and Recovery Services
Administration (HRSA)

For information contact:
1-800-562-3022, option 2, or go to:
<http://hrsa.dshs.wa.gov/contact/prucontact.asp>

Subject: Ambulatory Surgery Centers: 2009 Fee Schedule and Policy Updates

Effective for dates of service on and after April 1, 2009, the Department of Social and Health Services (DSHS) has clarified and updated coverage policies.

Effective for dates of service on and after March 1, 2009, DSHS has updated payment for corneal tissue.

Overview

All policies previously published remain the same unless specifically identified as changed in this memorandum.

DSHS will not be implementing the Outpatient Prospective Payment System (OPPS) for Ambulatory Surgery Centers (ASCs) at this time.

DSHS will continue to cover only the following services in an ASC:

- Services that **cannot be** performed safely and routinely in a physician's office; and
- Services that **can be** performed safely outside of the hospital setting.

DSHS uses the Year 2009 Medicare Fee Schedule Database (MFSDB) ASC groups for procedure codes valid in 2008 and has assigned ASC groups to the new 2009 procedure codes.

The 2009 ASC Fee Schedule reflects the changes included in this numbered memoranda.

Changes to Implantable Device Billing Procedure Policy

DSHS reimburses for implantable devices, at cost excluding tax and shipping, that are not on the ASC fee schedule when:

- The insertion procedure is covered and or authorized according to the current *Ambulatory Surgery Centers Billing Instructions* and Ambulatory Surgery Centers Fee Schedule (Example: 55875);
- The insertion procedure and implant are billed on the same CMS-1500 claim form;
- The implantable device is billed as HCPCS code L8699;
- The implantable device is billed with Manufacturer's Invoice*;
- The CMS procedure code for the device is on the invoice (if one has been published, e.g. 77785 for Hdr Brachytx seed not L8699 when billed with 55875);
- An itemized list of components and the invoiced cost for each item is submitted; and
- Billed with an X in field 19 on the CMS-1500 claim form or an X in the comments section on electronic submissions.

*For items that are not purchased individually, write on the invoice how many individual items were in the box or carton, or submit an itemized list of components and invoiced costs for each item used for the implant procedure.

Procedure Code Changes

Corneal Tissue Fee Increase

Effective for dates of service on and after March 1, 2009, DSHS increased the fee paid for corneal tissue processing (procedure code V2785) to \$2500.00.

Providers Are Required to Bill According to the NCCI Standard

Medicare's National Correct Coding Initiative (NCCI) is a national standard for the accurate and consistent description of medical goods and services using procedural codes.

The standard is based on:

- Coding conventions defined in the American Medical Association's Current Procedural Terminology (CPT) manual; and
- Current standards of medical and surgical coding practice, input from specialty societies, and analysis of current coding practices.

DSHS payment systems require consistent input to operate correctly. By complying with this standard, you make it possible for DSHS to make accurate and timely payment.

Information can be found online at: <http://cms.hhs.gov/NationalCorrectCodInitEd>

Note: Where CPT and HCPCS codes both exist for the same service providers must bill with either the CPT code or the HCPCS code, not both.

How Do I Conduct Business Electronically With DSHS?

You may conduct business electronically with DSHS by accessing the WAMedWeb at <http://wamedweb.acs-inc.com>.

How Can I Get DSHS/HRSA Provider Documents?

To obtain DSHS/HRSA provider numbered memoranda and billing instructions, go to the DSHS/HRSA website at <http://hrsa.dshs.wa.gov> (click the *Billing Instructions and Numbered Memorandum* link). These documents may be downloaded and printed.