



April 2022 Update to the Fiscal Year (FY) 2022 Inpatient Prospective Payment System (IPPS)

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Related Change Request (CR) Number: 12631

Related CR Release Date: February 17, 2022

Effective Date: April 1, 2022

Related CR Transmittal Number: R11269CP

Implementation Date: April 4, 2022

Provider Types Affected

This MLN Matters Article is for hospitals billing Medicare Administrative Contractors (MACs) for services they provide to Medicare patients.

Provider Action Needed

In this Article, you'll learn about:

- Coding needs for emergency use of Pfizer's PAXLOVID™ and Merck's Molnupiravir
- Coding criteria for reprocessing inpatient claims involving PAXLOVID or Molnupiravir

Make sure your billing staff knows about these changes.

Background

The [Interim Final Rule \(85 FR 71142\)](#) establishes a New COVID-19 Treatment Add-on Payment (NCTAP) for cases involving new COVID-19 treatments under the Medicare IPPS. These regulations, designed to lessen potential financial disincentives for hospitals to provide new COVID-19 treatments, are applicable from November 2, 2020, until the end of the FY in which the public health emergency (PHE) for COVID-19 ends.

We'll provide an enhanced payment for eligible inpatient cases that use certain new products with current FDA approval or emergency use authorization (EUA) to treat COVID-19 through the NCTAP.

Key Points

- On December 23, 2021, the FDA authorized the emergency use of Pfizer's PAXLOVID™, an investigational medicine, for the treatment of mild-to-moderate COVID-19 in adults and children (12 years of age and older weighing at least 88 pounds [40 kg]) with a positive test for the virus that causes COVID-19, and who are at high risk for progression to severe COVID-19, including hospitalization or death, under an EUA. (NDC 00069-1085-06, NDC 00069-1085-30)
- On December 22, 2021, the FDA authorized the emergency use of Merck's Molnupiravir for the treatment of mild-to-moderate coronavirus disease (COVID-19) in adults with positive results of direct SARS-CoV-2 viral testing, and who are at high risk for progression to severe COVID-19, including hospitalization or death, and for whom alternative COVID-19 treatment choices authorized by the FDA aren't accessible or clinically appropriate. (NDC 00006-5055-06, NDC 00006-5055-07)

We provide added information on [Medicare's COVID-19 NCTAP payment policies](#) on the CMS website.

Upon successful implementation of the updated FY 2022 IPPS Pricer, MACs will reprocess inpatient claims meeting all of the following criteria, when brought to their attention:

- Discharge date on or after 12/23/2021
- Condition Code ZA isn't present
- ICD-10-CM diagnosis code U07.1 (COVID-19)
- NDC 00069-1085-06 or NDC 00069-1085-30

Or

- Discharge date on or after 12/22/2021
- Condition Code ZA isn't present
- ICD-10-CM diagnosis code U07.1 (COVID-19)
- NDC 00006-5055-06 or NDC 00006-5055-07

More Information

We issued [CR 12631](#) to your MAC as the official instruction for this change.

For more information, [find your MAC's website](#).

Document History

Date of Change	Description
March 7, 2022	Initial article released.

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