



Ambulatory Surgical Center Payment Update – April 2024

Related CR Release Date: March 28, 2024

MLN Matters Number: MM13577

Effective Date: April 1, 2024

Related Change Request (CR) Number: [CR 13577](#)

Implementation Date: April 1, 2024

Related CR Transmittal Number: R12559CP

Related CR Title: April 2024 Update of the Ambulatory Surgical Center (ASC) Payment System

Affected Providers

- Physicians
- Suppliers
- Other providers billing Medicare Administrative Contractors (MACs) for services provided to Medicare patients

Action Needed

Make sure your billing staff knows about:

- New CPT and HCPCS codes
- Device code changes
- iDose TR (travoprost intracameral implant) for the treatment of glaucoma
- Drug and biological code changes
- Skin code updates

Background

CR 13577 provides changes to and billing instructions for various payment policies implemented in the April 2024 Ambulatory Surgical Center (ASC) payment system update. The changes are:

1. ASC Device Offset from Payment Changes Effective January 1, 2024

Section 1833(t)(6)(D)(ii) of the [Social Security Act](#) (the Act) requires CMS deduct from pass-through payments for devices in the hospital Outpatient Prospective Payment System (OPPS) an amount that shows the device portion of the Ambulatory Payment Classifications (APC) payment amount. This deduction is the device offset, or the portions of the APC amount that's associated with the cost of the pass-through device. The device offset from payment represents a deduction from pass-through payments for the applicable pass-through device.

a. Addition of CPT Code Pairs to Existing Device HCPCS Code C1602 Effective January 1, 2024

We added HCPCS C1602 as a new device code in the January 2024 update of the ASC Payment System. There, we said to always bill C1602 with certain paired codes in [Table 2 of CR 13481](#).

We're adding CPT codes 25145, 26236, and 28124 to the list of codes that you may perform with C1602. If you performed C1602 with CPTs 25145, 26236, and 28124 with dates of service from January 1 - March 31, 2024, and got a claims denial, your MAC will reprocess the denied claims. [Table 1 of CR 13577](#) shows the added codes.

b. Correction to Device Offset Amounts for Existing Device HCPCS Code C1600

Effective January 1, 2024, we're adding CPT codes 36902, 36903, 36905, and 36906 to the list of codes you can bill with HCPCS code C1600 with device offset amounts. We show these added codes in [Table 2 of CR 13577](#).

We updated the device offset amount for each of the CPT codes paired with C1600 to \$0.00, effective January 1, 2024. If you had claims processed with an offset for C1600 with CPT codes 36902, 36903, 36905, and 36906 for dates of service from January 1 – March 31, 2024, your MAC will reprocess those claims.

2. New Procedure HCPCS Codes C9796 and C9797 Effective January 1, 2024

We're establishing new HCPCS codes C9796 and C9797, effective January 1, 2024. [Table 3 of CR 13577](#) lists the official descriptors and ASC payment indicator (PI) for C9796 and C9797. We'll pay these codes retroactively to January 1, 2024, in the ASC Payment System. These codes, along with their short descriptors and ASC PIs, are also in the quarterly [April 2024 ASC addenda](#).

3. iDose TR (travoprost intracameral implant) for the Treatment of Glaucoma Effective April 1, 2024

With their July 1, 2021, update, the CPT Editorial Panel established CPT codes 0660T and 0661T to describe the service associated with the implantation, removal, and reimplantation of the iDose TR, which is a prostaglandin analog used to reduce intraocular pressure (IOP) in patients with open-angle glaucoma (OAG) or ocular hypertension (OHT).

On December 13, 2023, the iDose TR got FDA New Drug Application approval. Since July 1, 2021, 0660T and 0661T haven't been payable in the OPSS or ASC payment system because the drug associated with these codes didn't have FDA approval. Based on the recent FDA approval, these codes are now separately payable in the ASC payment system. Specifically, we assigned 0660T and 0661T to ASC PI=G2 effective April 1, 2024.

[Table 4 of CR 13577](#) lists the descriptors and ASC PI for 0660T and 0661T. These codes, along

with their short descriptors and ASC PIs, are also listed in the quarterly April 2024 ASC addenda.

4. ASC Payment Weight Correction for HCPCS Code C9790 (Histotripsy (non-thermal ablation via acoustic energy delivery) of malignant renal tissue, including image guidance) Retroactive to January 1, 2024

As we describe in the CY 2024 OPPS/ASC Correction Notice ([CMS-1786-CN](#)), the OPPS APC assignment for HCPCS code C9790 was changed from APC 1575 (New Technology – Level 38 (\$10,001-\$15,000)) to APC 1576 (New Technology – Level 39 (\$15,001-\$20,000)) retroactive to January 1, 2024. This impacted the ASC weight and payment rate assignments. We corrected the ASC payment weight of 127.0479 and the payment rate of \$6,798.84 with the payment weight of 177.8649 and the payment rate of \$9,527.91, respectively, for C9790. If you had claims processed with C9790 with dates of service from January 1 - March 31, 2024, your MAC will reprocess those claims.

5. Drugs and Biologicals

a. Newly Established HCPCS Codes for Drugs and Biologicals Effective April 1, 2024

We're adding 21 new drug and biological HCPCS codes effective April 1, 2024. We list these codes, as well as their descriptors and ASC PIs, in [Table 5 of CR 13577](#). We're deleting the HCPCS codes in the Old HCPCS Code column of Table 5 effective March 31, 2024.

b. HCPCS Codes for Drugs and Biologicals Deleted as of March 31, 2024

We're deleting 2 separately payable drug and biological HCPCS codes on March 31, 2024. [Table 6 of CR 13577](#) lists these codes.

c. HCPCS Codes for Separately Payable Drugs and Biologicals with Descriptor Changes as of April 1, 2024

The descriptors of 4 drug and biological HCPCS codes are changing as of April 1, 2024. These codes are listed in [Table 7 of CR 13577](#).

d. Drugs and Biologicals with Payments Based on Average Sales Price (ASP)

For CY 2023, payment for nonpass-through drugs and biologicals continues to be made at a single rate of ASP + 6%, which provides payment for both the acquisition cost and pharmacy overhead costs associated with the drug or biological. Also, in CY 2023, we continue to make a single payment of ASP + 6% for the OPPS pass-through drugs and biologicals to provide payment for both the acquisition cost and pharmacy overhead costs of these pass-through items. We update payment for drugs and biologicals based on ASPs on a quarterly basis as later-quarter ASP submissions become available. Updated payment rates effective April 1, 2023, are in the [April 2023 update of ASC Addendum BB](#).

e. Drugs and Biologicals Based on ASP Methodology with Restated Payment Rates

We may correct some drugs and biologicals with payment rates based on the ASP methodology retroactively. These retroactive corrections typically occur quarterly. The [list of drugs and biologicals](#) with corrected payment rates will be accessible on the first day of the quarter. If you think you got an incorrect payment for drugs and biologicals impacted by these corrections, you can ask your MAC to adjust the previously processed claims.

6. Skin Substitutes

Payment for skin substitute products that don't qualify for pass-through status will be packaged into the payment for the associated skin substitute application procedure. For payment packaging purposes, we divide the skin substitute products into 2 groups:

- 1) High-cost skin substitute products
- 2) Low-cost skin substitute products

We assign new skin substitute HCPCS codes into the low-cost skin substitute group unless we have pricing data demonstrating that the cost of the product is above either the mean unit cost of \$47 or the per-day cost of \$807 for CY 2024.

a. New Packaged Skin Substitute Products Effective April 1, 2024

We're adding 6 new skin substitute HCPCS codes effective April 1, 2024. These codes are listed in [Table 8 of CR 13577](#). Don't separately bill for packaged skin substitutes (ASC PI=N1) since packaged codes aren't reported under the ASC payment system.

b. Skin Substitute Product Deleted Effective March 31, 2024

We're deleting 1 skin substitute product, HCPCS code Q4244 (Procenta, per 200 mg) as of March 31, 2024.

7. Coverage Determinations

The fact that we assign a HCPCS code and payment rate to a drug, device, procedure, or service under the ASC payment system doesn't imply coverage by the Medicare Program, but indicates only how the product, procedure, or service may be paid if covered by the Program. MACs decide whether a drug, device, procedure, or other service meets all Program requirements for coverage. For example, MACs decide that it's reasonable and necessary to treat the patient's condition and whether it's excluded from payment.

More Information

We issued CR 13577 to your MAC as the official instruction for this change.

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

Document History

Date of Change	Description
April 4, 2024	Initial article released.

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