



## **Addition of Medical Severity Diagnosis Related Groups (MS-DRG) Subject to Inpatient Prospective Payment System (IPPS) Replaced Devices Offered Without Cost or With a Credit Policy**

MLN Matters Number: MM11508

Related Change Request (CR) Number: 11508

Related CR Release Date: November 1, 2019

Effective Date: October 1, 2019

Related CR Transmittal Number: R2381OTN

Implementation Date: April 6, 2020

### **PROVIDER TYPES AFFECTED**

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This MLN Matters® Article applies to hospitals that submit Inpatient Prospective Payment System (IPPS) claims to Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

### **PROVIDER ACTION NEEDED**

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Change Request (CR) 11508 adds Medicare Severity Diagnosis-Related Groups (MS-DRGs) 319 and 320 (Other Endovascular Cardiac Valve Procedures with and without major complications and comorbidities (MCC), respectively) to the list of MS-DRGs subject to the policy for replaced devices offered without cost or with a credit.

### **BACKGROUND**

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The Centers for Medicare & Medicaid Services (CMS) reduces a hospital's IPPS payment for specified MS-DRGs, when the implantation of a device is replaced without cost or with a credit equal to 50 percent or more of the cost of the replacement device. New MS-DRGs are added to the list, subject to the IPPS payment policy for replaced devices offered without cost or with a credit, when they are formed from procedures assigned to MS-DRGs that were previously on the list.

### **Key Points in CR 11508**

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For Fiscal Year (FY) 2020, a subset of the procedures assigned to MS-DRGs 216 through 221, previously subject to the IPPS payment policy for replaced devices offered without cost or with a credit, have been assigned to new MS-DRGs 319 and 320 (Other Endovascular Cardiac Valve Procedures with and without major complications and comorbidities (MCC), respectively).

MS-DRGs 319 and 320 are added to the list of MS-DRGs subject to the policy for reducing payment for replaced devices offered without cost or with a credit. The attachment in CR 11508 contains the complete list of MS-DRGs subject to this payment policy.

## ADDITIONAL INFORMATION

The official instruction, CR11508, issued to your MAC regarding this change is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2019Downloads/R2381OTN.pdf>. If you have questions, your MACs may have more information. Find their website at <http://go.cms.gov/MAC-website-list>.

## DOCUMENT HISTORY

Date of Change	Description
November 1, 2019	Initial article released.

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