



Hospital Outpatient Prospective Payment System: October 2023 Update

Related CR Release Date: August 31, 2023

MLN Matters Number: MM13340

Effective Date: October 1, 2023

Related Change Request (CR) Number: [CR 13340](#)

Implementation Date: October 2, 2023

Related CR Transmittal Number: R12227CP

Related CR Title: October 2023 Update of the Hospital Outpatient Prospective Payment System (OPPS)

Affected Providers

- Physicians
- Hospitals
- Home Health and Hospice
- Other providers billing Medicare Administrative Contractors (MACs) for services you provide to Medicare patients

Action Needed

Make sure your billing staff knows about:

- New COVID-19 CPT vaccines and administration codes
- Proprietary laboratory analyses (PLA) coding changes
- Multianalyte assays with algorithmic analyses (MAAA) CPT coding change
- Advanced diagnostic laboratory tests (ADLTs) under the clinical lab fee schedule (CLFS)
- HCPCS code changes

Background

CR 13340 describes changes to and billing instructions for various payment policies CMS is implementing in the October 2023 OPSS update. The October 2023 Integrated Outpatient Code Editor (I/OCE) reflects the HCPCS, Ambulatory Payment Classification (APC), HCPCS modifier, and revenue code additions, changes, and deletions.

The October 2023 OPSS changes are:

1. New COVID-19 CPT Vaccines and Administration Codes

The American Medical Association (AMA) issues CPT Category I codes developed and based on collaboration with us and the CDC for each COVID-19 vaccine, as well as administration

codes unique to each such vaccine and dose. These codes are effective upon getting an Emergency Use Authorization (EUA) or FDA approval.

Based on FDA changes effective April 18, 2023, for the administration of COVID-19 messenger ribonucleic acid (mRNA) vaccines, the CPT® Editorial Panel approved:

- New vaccine administration codes 0171A and 0172A for the administration of a first and second dose of the Pfizer bivalent vaccine product (91317) for patients aged 6 months through 4 years
- Vaccine administration code 0151A for the administration of a single dose of the Pfizer bivalent vaccine product (91315) for patients aged 5 through 11 years
- Vaccine administration code 0121A for the administration of a single dose of the Pfizer bivalent vaccine product (91312)
- Vaccine administration codes 0141A and 0142A for the administration of a first and second dose of the Moderna bivalent vaccine product (91314)

Effective April 18, 2023, in the October 2023 I/OCE update, we've assigned CPT codes:

- 0171A and 0141A to status indicator S, APC 9397 (COVID-19 Vaccine Admin Dose 1 of 2)
- 0172A, 0142A, 0121A, 0151A to status indicator S, APC 9398

The original monovalent vaccines' EUA is rescinded. In the October 2023 I/OCE update, the following vaccine and vaccine administration codes are no longer recommended for use in the U. S. effective April 18, 2023. We've assigned these codes to status indicator E1:

- 0001A, 0002A, 0003A, 0004A, 0011A, 0012A, 0013A, 0051A, 0052A, 0053A, 0054A, 0064A, 0071A, 0072A, 0073A, 0074A, 0081A, 0082A, 0083A, 0091A, 0092A, 0093A, 0094A, 0111A, 0112A, 0113A, 91300, 91301, 91305, 91306, 91307, 91308, 91309, 91311

The term booster is replaced with additional dose. [Table 1 of CR 13340](#) contains revised long descriptors for CPT codes: 0124A, 0134A, 0144A, 0154A, 0164A, 0173A, and 0174A. Revised short descriptors are listed in the [October 2023 OPPS Addendum B](#).

Effective June 1, 2023, the Janssen COVID-19 vaccine (0031A, 0034A, 91303) is no longer authorized for use in the U.S. So, effective June 1, 2023, we assigned these codes to status indicator E1 in the October 2023 I/OCE update.

Table 1 of CR 13340 lists the long descriptors for the codes. These codes, along with their short descriptors, status indicators, and payment rates, where applicable, are also in the October 2023 OPPS Addendum B. See the [CY 2023 OPPS ASC Final Rule](#) for the latest definitions for the OPPS status indicators.

2. CPT Proprietary Laboratory Analyses (PLA) Coding Changes Effective October 1, 2023

The AMA CPT Editorial Panel established 18 new PLA codes, specifically, CPT codes 0402U through 0419U, effective October 1, 2023.

[Table 2 of CR 13340](#) lists the long descriptors and status indicators for the codes. We've added the codes to the October 2023 I/OCE with an effective date of October 1, 2023.

3. Multianalyte Assays with Algorithmic Analyses (MAAA) CPT Coding Change Effective October 1, 2023

The AMA CPT Editorial Panel established 1 new MAAA code, 0019M, effective October 1, 2023. [Table 3 of CR 13340](#) lists the long descriptor and status indicator for CPT code 0019M. We've added the code to the October 2023 I/OCE with an effective date of October 1, 2023.

4. Advanced Diagnostic Laboratory Tests (ADLT) Under the Clinical Laboratory Fee Schedule (CLFS)

On June 30, 2023, we announced the approval of 1 laboratory test as an ADLT under paragraph (1) of the ADLT definition in [42 CFR 414.502](#). Under the OPSS, we assign ADLTs to status indicator A. This laboratory test is in [Table 4 of CR 13340](#).

Based on the ADLT designation, we revised the OPSS status indicator for HCPCS code 0360U to A (Not paid under OPSS. Paid by MACs under a fee schedule or payment system other than OPSS) effective June 30, 2023. Because we made the ADLT designation in June 2023, it was too late to include this change in the July 2023 I/OCE Release and the July 2023 OPSS update. Therefore, we're including this change in the October 2023 I/OCE with an effective date of July 1, 2023. For the latest list of ADLTs, see [ADLT approved tests under the CLFS](#).

5. New HCPCS Code for Breast Imaging Service Using Opto-Acoustic Imaging

We're establishing a new HCPCS code, C9788, to describe the breast imaging service using opto-acoustic imaging. [Table 5 of CR 13340](#) lists the official long descriptor, status indicator, and APC assignment for HCPCS code C9788.

6. New HCPCS Code Describing the Instillation of an Anti-Neoplastic Pharmacologic/Biologic Agent into the Renal Pelvis

We're establishing a new HCPCS code, C9789, to describe the instillation of an anti-neoplastic pharmacologic/biologic agent into the renal pelvis. [Table 6 of CR 13340](#) lists the official long descriptor, status indicator, and APC assignment for HCPCS code C9789.

7. New HCPCS Code for Renal/Kidney Histotripsy

We approved the clinical study associated with [HistoSonic's Edison Histotripsy System](#) for kidney histotripsy for Medicare coverage on June 15, 2023, as a Category B investigational device exemption (IDE) study. Currently, there's no specific HCPCS code to describe the service. Because the clinical study will be conducted in the hospital outpatient setting, we established HCPCS code C9790 to allow Medicare to track and pay appropriately for this IDE study effective October 1, 2023. [Table 7 of CR 13340](#) lists the information associated with the clinical study. [Table 8 of CR 13340](#) lists the long descriptor and APC assignment for HCPCS code C9790.

8. New HCPCS code Describing Magnetic Resonance Imaging (MRI) with Inhaled Hyperpolarized Xenon-129 Contrast Agent of the Chest

We're establishing a new HCPCS code, C9791, to describe the MRI with inhaled hyperpolarized xenon-129 contrast agent of the chest. [Table 9 of CR 13340](#) lists the official long descriptor, status indicator, and APC assignment for HCPCS code C9791.

Note: You can't report HCPCS code C9791 with the imaging procedure CPT code 71551 (Magnetic resonance (eg, proton) imaging, chest (eg, for evaluation of hilar and mediastinal lymphadenopathy); with contrast material(s)).

9. New HCPCS code for Transcatheter Atrial Shunt System Clinical Trial

We're establishing a new HCPCS code, C9792, to describe the Transcatheter Atrial Shunt System clinical trial. [Table 10 of CR 13340](#) lists the official long descriptor, status indicator, and APC assignment for HCPCS code C9792.

10. Drugs, Biologicals, and Radiopharmaceuticals

a. New CY 2023 HCPCS Codes and Dosage Descriptors for Certain Drugs, Biologicals, and Radiopharmaceuticals Receiving Pass-Through Status

We created 8 HCPCS codes for reporting drugs and biologicals in the hospital outpatient setting, where there weren't previously specific codes available, starting on October 1, 2023. These drugs and biologicals will receive drug pass-through status starting October 1, 2023. These HCPCS codes are in [Table 11 of CR 13340](#).

b. Existing HCPCS Code for Certain Drug, Biological, and Radiopharmaceutical Starting Pass-Through Status as of October 1, 2023

There's 1 existing HCPCS code, J9058, for certain drug, biological, and radiopharmaceutical in the outpatient setting that will have its pass-through status start on October 1, 2023. This code is in [Table 12 of CR 13340](#). The status indicator for J9058 is changing to G, effective October 1, 2023.

c. Existing HCPCS Codes for Certain Drugs, Biologicals, and Radiopharmaceuticals with Pass-Through Status Ending on September 30, 2023

There are 11 HCPCS codes for certain drugs, biologicals, and radiopharmaceuticals in the outpatient setting that will have their pass-through status end on September 30, 2023. These codes are in [Table 13 of CR 13340](#). Effective October 1, 2023, the status indicator for these codes is changing from G to either K or N.

d. HCPCS Code for Drug, Biological, and Radiopharmaceutical Previously Established Retroactive to July 6, 2023

We've established HCPCS code J0174 (Injection, lecanemab-irmb, 1 mg) retroactive to July 6, 2023. The information for HCPCS code J0174 is in [Table 14 of CR 13340](#).

e. Newly Established HCPCS Codes for Drugs, Biologicals, and Radiopharmaceuticals as of October 1, 2023

We'll establish 31 new drug, biological, and radiopharmaceutical HCPCS codes on October 1, 2023. These HCPCS codes are in [Table 15 of CR 13340](#).

f. HCPCS Code for Drug, Biological, and Radiopharmaceutical Deleted as of September 30, 2023

We're deleting HCPCS code J0800 on September 30, 2023 as we show in [Table 16 of CR 13340](#).

g. HCPCS Code for Drug, Biological, and Radiopharmaceutical with Descriptor Change as of October 1, 2023

We changed the descriptor of HCPCS code J1921 as of October 1, 2023, which we show in [Table 17 of CR 13340](#).

h. HCPCS Code for Drug, Biological, and Radiopharmaceutical with Descriptor Change as of July 1, 2023

We changed the descriptor of HCPCS code J2426 as of July 1, 2023, which we show in [Table 18 of CR 13340](#).

i. Vaccine that Will Retroactively Change from Non-Payable Status to Payable Status Effective May 31, 2023, in the October 2023 I/OCE Update

The status indicator for CPT code 90678 (Respiratory syncytial virus vaccine, preF, subunit, bivalent, for intramuscular use) effective May 31, 2023, will change retroactively from status indicator = E1 to status indicator = M in the October 2023 I/OCE Update. This drug/biological is in [Table 19 of CR 13340](#).

j. Vaccine that Will Retroactively be Assigned to Payable Status Effective May 3, 2023

The FDA approved CPT code 90679 (Respiratory syncytial virus vaccine, preF, recombinant, subunit, adjuvanted, for intramuscular use) on May 3, 2023. We're assigning the code to status indicator M, effective May 3, 2023, in the October 2023 I/OCE Update. This drug/biological is in [Table 20 of CR 13340](#).

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

For CY 2023, payment for most pass-through and nonpass-through drugs, biologicals, and therapeutic radiopharmaceuticals is generally made at a single rate of ASP plus 6% (or ASP

plus 6 or 8% of the reference product for biosimilars), which provides payment for both the acquisition cost and pharmacy overhead costs of these items. We'll update payments for drugs and biologicals based on ASPs on a quarterly basis as later-quarter ASP submissions are available.

Effective October 1, 2023, payment rates for many drugs and biologicals have changed from the values published in the CY 2023 OPPS/ASC final rule with comment period because of the new ASP calculations based on sales price submissions from the second quarter of CY 2023. When payment rate adjustments are necessary, we'll include them in the October 2023 Fiscal Intermediary Shared System (FISS) release. The updated payment rates effective October 1, 2023, are in the [October 2023 update of the OPPS Addendum A and Addendum B](#).

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

We'll retroactively correct payment rates for some drugs and biologicals paid based on ASP methodology. These retroactive corrections typically occur on a quarterly basis. The list of drugs and biologicals with corrected payment rates will be available on the first date of the quarter at [Restated Drug and Biological Payment Rates](#). You may resubmit claims affected by adjustments to a previous quarter's payment files.

11. Skin Substitutes

The 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, the skin substitute products are divided into two groups:

- High-cost skin substitute products
- Low-cost skin substitute products

We assign new skin substitute HCPCS codes to the low-cost skin substitute group unless we've pricing data that shows the cost of the product is above either the mean unit cost of \$47 or the per day cost of \$837 for CY 2023.

a. Additional New Skin Substitute Products as of October 1, 2023

There are 4 new skin substitute HCPCS codes active as of October 1, 2023. These codes are listed in [Table 21 of CR 13340](#).

b. Skin Substitute Products Reassigned to the High-Cost Skin Substitute Group as of October 1, 2023

We're reassigning HCPCS code Q4282 from the low-cost skin substitute group to the high-cost skin substitute group as of October 1, 2023. The code is in [Table 22 of CR 13340](#).

12. Coverage Determinations

Remember, the fact that we assign a HCPCS code and payment rate to a drug, device, procedure, or service under the OPPS doesn't imply coverage by Medicare. It indicates only how we pay for the product, procedure, or service if covered. 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 13340 to your MAC as the official instruction for this change.

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

Document History

Date of Change	Description
September 6, 2023	Initial article released.

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