



## OCTOBER 2005 CHANGES TO THE MEDICARE OUTPATIENT CODE EDITOR (OCE)

The Centers for Medicare and Medicaid Services (CMS) will update the Medicare hospital Outpatient Code Editor (OCE) for October 1, 2005. Some changes are documented in Program Transmittal 664, *October 2005 Outpatient Prospective Payment System Code Editor (OPPS OCE) Specifications Version 6.3*, published on August 26, 2005. (Note: Transmittal 664 is a replacement of Transmittal 660, which contained incorrect data in Attachment B).

1. **SUMMARY:** No new edits will be added to the OCE effective October 1, 2005. The number of OCE edits remains at 72.
2. **REVISED OCEs:** Although the October 2005 OCE will include no new edits, many edits are being revised.
  - **Edit 01, Invalid Diagnosis:** The OCE will incorporate all FY 2006 ICD-9-CM diagnosis code changes, including 173 new and 14 deleted diagnosis codes effective October 1, 2005.
  - **Edit 02, Diagnosis/Age Conflict:** A number of codes will be added to the lists of diagnoses restricted to newborn (age 0), pediatric (age 0-17), maternity (age 12-55) and adult only (age 15-124).
  - **Edit 03, Diagnosis/Sex Conflict:** Two ICD-9-CM diagnosis codes will be removed from the list of diagnoses restricted to male patients, and nine new diagnosis codes will be added to those restricted to female patients.
  - **Edit 06, Invalid HCPCS Code:** The OCE will incorporate 32 new HCPCS codes and 4 deleted codes. Most changes will be effective October 1, 2005, but a few are retroactive to specific earlier dates.
  - **Edit 14, Site of Service Not Included In OPPS:** CMS will remove a large number of codes from this edit effective October 1, 2005. These codes, all of which are HCPCS Level II orthopedic "L" codes, are being changed from payment status "B" (not covered under OPPS) to "A" (paid via fee schedule or other method).
  - **Edit 16, Multiple Bilateral Procedures without Modifier 50:** Effective October 1, 2005, CMS will remove all codes from the list of "exclusively bilateral" services. This change will eliminate Edit 16, effective October 1, 2005, since it applies only to exclusively bilateral services.
  - **Edit 17, Inappropriate Specification of Bilateral Procedures:** CMS is revising the list of inherently bilateral services which are eligible for this edit and is eliminating the concept of "exclusively bilateral". This means that effective October 1, 2005, Edit 017 will apply only to inherently bilateral services which are billed on more than one line on the same claim for the same service date.

- **Edit 22, Invalid Modifier:** CMS will delete modifier GX (*Service not covered by Medicare*), effective January 1, 2005, and will add modifier CR (*Catastrophe/Disaster Related*), effective October 1, 2005.
- **Edit 28, Code not Recognized by Medicare; Alternate Code for Same Service may be Available:** One code L3031 (*Foot lamin/prepreg composite*) will be removed from Edit 28.
- **Edit 29, Partial Hospitalization Services with Non-Mental Health Diagnosis:** CMS will add two ICD-9-CM diagnosis codes 291.82 (*alcohol induced sleep disorder*) and 292.85 (*drug induced sleep disorder*) to the list of mental health diagnoses applicable to this edit.
- **Edit 41, Invalid Revenue Code:** Revenue codes 0091 (*Reserved National*) and 3100 (*Adult Care Unassigned*) will be deleted from the OCE retroactive to August 1, 2000 and April 1, 2003, respectively.
- **Edit 55, Non-Reportable for Site of Service:** CMS will add five new HCPCS codes to the list of codes eligible for this edit: C9224 (*injection, galsulfase*), C2637 (*brachytherapy, ytterbium-169*), C9225 (*fluocinolone acetonide*), C9226 (*ziconotide intrathecal inf*), and C9725 (*place endorectal app*).
- **Edit 61, Service Can Only be Billed to the DMERC:** 29 HCPCS drug codes (“J” codes) previously designated as payment status “Y” and eligible for Edit 61 will be changed to payment status “B” and assigned to Edit 62.
- **Edit 62, Code not Recognized by OPPS; Alternate may be Available:** One new HCPCS code Q4080 (*Iloprost inhalation solution*) will be assigned to Edit 62. In addition, 29 existing HCPCS drug codes (“J” codes previously designated as payment status “Y” and eligible for Edit 61), plus 5 additional “J” codes previously designated as payment status “A” or “N”, will be changed to payment status “B” and assigned to Edit 62.
- **Edit 67, Service Provided Prior to FDA Approval:** One new code C9224 (*Injection Galsulfase*) will be added to this edit with an FDA approval date of May 31, 2005.
- **Edit 68, Service Provided Prior to NCD Approval:** One code, G0336 (*PET Imaging Brain Alzheimers*), will be removed from this edit. For a number of other PET scan codes, the effective date of NCD approval will be changed from January 29, 2005 to January 28, 2005.
- **Edit 69, Service Provided Outside Coverage Period:** A number of changes will be made to the code lists and associated coverage dates for this edit. Most of these changes also relate to PET scan “G” codes. Also, two new technology intraocular lens (IOL) codes, Q1001 and Q1002, will be added to this edit. These new codes can be used only between April 1, 2005 and May 19, 2005.
- **Edit 71, Claim Lacks Required Device Code:** CMS will make **substantial changes** to this edit, significantly expanding the list of device/procedure pairs, and adding a small set of procedures requiring two devices. See *HSS Industry Insight 359, October 2005 Changes for Device Coding under OPPS*, for additional information about the expansion of this edit.
- **CCI Updates (Edits 19, 20, 39 and 40):** The CCI pairs included within the OCE are a subset of the national CCI and lag one quarter behind the national CCI. For October 2005, the OCE/CCI pairs (applicable to the OPPS) will be updated with a subset of the V11.2 CCI edits implemented in July 2005.

**FOR FURTHER INFORMATION**

If you have questions regarding these OCE changes, please contact our Client Services Department at 1-800-999-DRGS (3747) or via the Internet at [support@hss-info.com](mailto:support@hss-info.com). For additional information on the OPPS October updates, see the following *Industry Insights*:

<b>INDUSTRY INSIGHT NO.</b>	<b>TITLE</b>
358	October 2005 OPPS Updates
359	October 2005 Changes for Device Coding under the OPPS