

Important MDCH Outpatient Prospective Payment System (OPPS) Annual/Quarterly Process

Status 3<sup>rd</sup> Quarter MDCH's OPPS APC's/ASC's (July – September 2012)

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Review - MDCH Annual/Quarterly OPPS Update Process - timeline

- The Center for Medicare and Medicaid Services (CMS) is a timed release schedule of the annual/quarterly updates specific to software changes for Optum (our software vendor). MDCH staff monitors the CMS site – once CMS releases the files (i.e., Integrated Outpatient Code Editor (I/OCE) Specifications, HCPCS, etc) – work begins immediately to review policy impact, coverage/service review, schedule meetings, and implement the quarterly process. MDCH forwards policy/rate updates and Wrap Around Code List information directly to Optum.
- A conference call is scheduled with Optum to review updates. MDCH coordinates efforts with CMS file release however not all CMS files are released (OPPS/APC/ASC, Part B rate updates) timely. Following policy/CMS file release available for review (i.e., Wrap Code List), an additional 2 – 3 weeks is required (minimum) for internal program updates, quality assurance checks, and regression testing. MDCH must also include time and consideration for additional CMS changes following initial release of the quarterly updates. This timeline is necessary for Optum to develop the Michigan specific software version for each OPPS quarter (including any retro changes), perform quality control, internal development and testing period. The Optum software programming is separate and distinct from CHAMPS user acceptance testing.
- MDCH and Optum coordinate efforts through conference calls. Once Optum has developed the Michigan APC specific software, the product is delivered to CNSI and scheduled as part of a maintenance release. MDCH works directly with Optum during development, however Optum needs adequate time to modify the Michigan specific APC product and complete internal control steps/development testing with each release. MDCH's OPPS is a Michigan (Medicaid) specific software product and aligns as closely as possible with Medicare however does require modification to be a Michigan specific APC/ASC product.
- MDCH appreciates OPPS quarterly updates are time sensitive and programs updates into CHAMPS as timely as possible. MDCH's OPPS APC/ASC Wrap Around Code List updates are posted timely each quarter and revisions made as needed.

The 3<sup>rd</sup> quarter Optum conference call was held 6/14/2012. Following OPPS protocol, MDCH will claim adjust any claims that may be impacted by a delayed quarterly update implementation.

**3<sup>rd</sup> Quarter OPPS 2012 Reference – CR 7841 Skin Substitutes: Medicare Change**

These remind providers of changes for skin substitutes and how they will be reimbursed separately paid only when used with the appropriate CPT codes describing application of a skin substitute.

MDCH uses Medicare's Outpatient Code Editor that is updated quarterly, aligning with the implemented I/OCE logic to ensure that separate reimbursement is made for skin substitute procedure application. Providers may reference:

Effective July 1, 2012, refer to Medicare CR 7841 for July Integrated Outpatient Code Editor list of skin substitute codes added to the skin substitute logic.

Effective July 1, 2012, refer to Medicare CR 7854 update of the Ambulatory Surgical Center (ASC) of skin substitute codes added to the skin substitute logic.

MDCH posted non-covered codes (0302 – 0308T) to the appropriate OPPS APC/ASC Wrap Around Code Lists. Providers should reference the revised OPPS and ASC Wrap Around Code List for quarterly changes.

**2nd Quarter OPPS 2012 Reference – (changes) Skin Substitutes**

Medicare Change Request 7748 and 7754