

Outpatient Prospective Payment System (OPPS) Legend

Definitions

Description is the short procedure code description. Refer to the appropriate official CPT or HCPCS coding manual for complete definitions to assure correct coding.

Medicare 2006 Status Indicator is for informational purposes only.

Wyoming 2006 Status Indicator directs payment of the line item.

APC is the APC code assigned to the procedure code by the Center for Medicare & Medicaid Services (CMS). APC of zero indicates that the procedure is packaged, priced APC by report, not covered in the hospital outpatient setting, priced from the main fee schedule, priced by a percentage of charges, or not covered.

APC Relative Weight is the APC relative weight assigned to the APC code by CMS. Relative weight of zero indicates that the procedure is packaged, priced APC by report, not covered in the hospital outpatient setting, priced from the main fee schedule, priced by a percentage of charges, or not covered.

An Asterisk (*) next to the relative weight indicates that the weight was calculated using Medicare's 2007 Conversion Factor of \$61.468 and Medicare's rate.

Status Indicators

Medicare Status Indicators Used by EqualityCare:

- B** Non-allowed item or service for OPPS that is not paid under OPPS
- C** Inpatient procedure that is not paid under OPPS
- F** Corneal tissue acquisition; certain CRNA services and hepatitis B vaccines that is paid APC by report
- G** Drugs and biological pass-through that is paid by APC
- H** Pass-through device categories, brachytherapy sources, and radiopharmaceutical agents that is paid APC by report
- K** Non pass-through drugs and biologicals, and blood and blood products that is paid by APC
- L** Flu/PPV vaccines that is paid APC by report
- N** Services packaged into another service or APC
- Q** Packaged services subject to separate payment under OPPS payment criteria
- S** Significant procedure not subject to multiple procedure discounting that is paid by APC
- T** Significant procedure subject to multiple procedure discounting that is paid by APC

- V** Medical visit to clinic or emergency department that is paid by APC
- X** Ancillary service that is paid by APC
- Y** Non-implantable durable medical equipment (DME), therapeutic shoes that is not paid under OPPS

Wyoming-Specific Status Indicators Used by EqualityCare:

- 1** Procedure or service that is not covered (e.g., a service that cannot be provided in an outpatient hospital setting or that is not a covered benefit)
- 2** Procedure is paid at the provider specific EqualityCare cost to charge ratio
- 3** Procedure is excluded from the APC-based methodology (e.g., radiology, laboratory, therapy, VFC program and screening mammography)

Fees

Fees are affected by modifiers, units, discount formulas, and revenue codes

Status Indicator 2 is priced at the provider specific EqualityCare cost to charge ratio

Status Indicator 3 is priced from the main fee schedule (M01). The main fee schedule is located at <http://wyequalitycare.acs-inc.com/pubs.html>

APC by report means the code is paid at the provider specific EqualityCare cost to charge ratio

Discount Formulas

EqualityCare will discount payment for certain multiple, bilateral or discontinued procedures as described below for type “T” and non-type “T” procedures. Type “T” procedures are procedure codes assigned a status indicator of “T”.

Discounting for Type “T” Procedures (Significant Procedures Subject to Discounting)

- *Multiple procedures* – EqualityCare will discount payment for certain procedures when a hospital performs two or more type “T” procedures on the same day for the same patient. The “T” procedure with the highest relative weight will not be discounted. The remaining “T” procedures will be multiple procedure discounted. If any of the following modifiers are present on the claim line item, the procedure will not be subject to multiple procedure discounting:
 - 76 – Repeat procedure by same physician
 - 77 – Repeat procedure by another physician
 - 78 – Return to the operating room for a related procedure during the postoperative period

- 79 – Unrelated procedure or service by the same physician during the postoperative period.
- *Bilateral procedures* – The first type “T” bilateral procedure, indicated by modifier 50 (bilateral procedure) will not be discounted. The remaining “T” bilateral procedures will be bilateral procedure discounted. The discounting factor for bilateral procedures is the same as the discounting factor for multiple type “T” procedures.
- *Discontinued procedures* – EqualityCare will discount type “T” procedures that a hospital discontinues before completion, indicated by modifier 52 (reduced services) or 73 (discontinued outpatient procedure prior to anesthesia administration). The “T” discontinued procedure with the highest relative weight will be discounted 50 percent of the payment rate. The remaining “T” discontinued procedures will be discontinued procedure discounted. Any applicable offset will be applied prior to selecting the type “T” procedure with the highest payment amount. If both offset and terminated procedure discount apply, the offset will be applied first before the terminated procedure discount.

Discounting for Non-Type “T” Procedures

- *Bilateral procedures* – The first non-type “T” bilateral procedure, indicated by modifier 50 (bilateral procedure) will not be discounted. The remaining non-type “T” bilateral procedures will be bilateral procedure discounted. The discounting factor for bilateral procedures is the same as the discounting factor for multiple type “T” procedures.
- *Discontinued procedures* – EqualityCare will discount type “T” procedures that a hospital discontinues before completion, indicated by modifier 52 (reduced services) or 73 (discontinued outpatient procedure prior to anesthesia administration). Modifier 52 or 73 on a non-type “T” procedure line will result in a 50 percent discount applied to that line.

Discount Formulas		Discount Factors					
1	1.0		1.0				
2	$(1.0 + D(U - 1)) / U$		1			Discount factors indicated are when the number of units is equal to 1 (one)	
3	T / U		0.5				
4	$(1 + D) / U$		1.5				
5	D		0.5				
6	TD / U		0.25				
7	$D(1 + D) / U$		0.75				
8	1.5		1.5				
D	Discounting fraction (currently 0.5)						
U	Number of units						
T	Terminated procedure discount (currently 0.5)						