

Outpatient Facility Coding Alert

CMS Creates New Indicator M5 for ASC Quality Measures Reporting

April 2, 2102 will mark full implementation of a new payment indicator that contractors must accept when ASCs report quality measures.

Background: CMS stated in the CY 2011 OPSS Final Rule that a plan linking ASC payment to reporting quality data would be proposed in the following year. Subsequent work has led to the ASC Quality Collaborative recommending six measures to be used in implementing an ASC pay-for-reporting program. The recommendation has the National Quality Forum's (NQF) endorsement and includes these measures:

- Patient falls in ASC
- Patient burn
- Hospital transfer or admission
- Wrong site, side, patient, procedure, implant
- Prophylactic IV antibiotic timing
- Appropriate surgical hair removal.

Reporting: HCPCS codes related to these indicators are now part of the ASC Payment Indicator file. The new indicator M5 (Quality measurement code used for reporting purposes only; no payment made) will be tied to the HCPCS codes on the Payment Indicator file. ASCs will submit the associated HCPCS codes with indicator M5 with either a 0 charge or a 01 cent charge; the charges will automatically be denied by the claims processing system.

Next steps: The codes will be passed to CMS reporting databases and analyzed to determine the level of compliance with the reporting requirements. Data from CY 2012 claims will be used starting with the CY 2014 payment determination.

Resource: For more information, see CMS Transmittal 1042, dated Feb. 3, 2012.