



MEDICARE PLAN PAYMENT GROUP

DATE: July 13, 2023

TO: All Medicare Advantage, Cost, PACE, and Demonstration Organizations Systems Staff

FROM: Jennifer R. Shapiro, Director, Medicare Plan Payment Group

SUBJECT: Encounter Data Software Release Updates: July 2023 Release

The Centers for Medicare and Medicaid Services (CMS) continues to implement software improvements to the systems related to accepting and processing encounter data to support the Medicare Advantage (MA) program. The changes described in this memo impact the Encounter Data Processing System (EDPS) and are effective for submissions beginning July 21, 2023.

Use of JK and JL modifiers with Insulin Healthcare Common Procedures System (HCPCS)

Edit 32075 “DME HCPCS Requires JK or JL Modifier” is a new durable medical equipment (DME) edit which confirms that the modifiers, JK (drug supply 1 month or less) or JL (drug 3-month supply), are submitted on the encounter line with HCPCS codes J1811, J1813 or J1817 and date of service is on or after July 1, 2023. The edit disposition for 32075 is informational.

The EDPS will post edit 32075 when:

1. DME Encounter Service Line contains HCPCS code J1811, J1813 or J1817, and
2. The service line ‘from’ date is on or after 7/1/2023, and
3. Modifier JK or JL is not present.

Update due to end of Public Health Emergency (PHE)

Edit 20510 “Rev Code 54x Requires Specific HCPCS” is an institutional edit that validates that the revenue code 54X (ambulance) is submitted with transportation HCPCS and mileage HCPCS codes. This edit is being updated to remove the bypass condition for dates of service outside of the PHE. The edit disposition for 20510 remains as a reject edit.

The EDPS bypasses edit 20510 when:

- a. Type of Bill (TOB) is 12X 13X, 22X, 23X, 83X, 85X, and
- b. Revenue Code 0540 is present, and

- c. Transport HCPCS Code A0427 or A0429 is present with Modifier ‘CR,’ and
- d. [NEW] The Service line ‘From’ date is between 03/01/2020 and 05/11/2023.

OR

- a. TOB is 12X 13X, 22X, 23X, 83X, 85X, and
- b. Revenue Code 0540 is present, and
- c. One or more of the following Transport HCPCS Codes is present:
 - i. A0426, A0427, A0428, A0429, A0432, A0433, A0434, A0430, A0431 with Modifier ‘QL,’ and
- d. One of the following Mileage HCPCS Codes is not present:
 - ii. A0425, A0888, A0435 or A0436

Questions can be submitted to RiskAdjustmentOperations@cms.hhs.gov, please specify, “Encounter Data Software Release Updates: July 2023 Release” in the subject line. Thank you.

Appendix

The Memo contains patient discharge status codes, revenue and condition codes. The American Hospital Association (AHA) has granted to the Centers for Medicare & Medicaid Services (CMS or the agency) and its authorized agents a limited, royalty-free permission to reproduce portions of the National Uniform Billing Code (NUBC) UB-04 Data Specifications Manual and a limited license to use NUBC UB-04 Specifications Data in CMS publications, both print and electronic media, as agency requirements demand.

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