

Part 329 of Title 12 NYCRR is amended to add Subparts 329-1, 329-2 and 329-3, and to renumber Sections 329.1, 329.2, 329.3, 329.6 and 329.7 as 329-1.1, 329-1.2, 329-1.3, 329-3.1, 329-3.2 and repeal Sections 329.4 and 329.5 of Title 12 NYCRR and add new Subpart 329-2.

Subpart 329-2 Ambulatory Surgery Services Fee Schedule

§329-2.1 Scope and Effective Date.

Payment for ambulatory surgery services shall be made according to the ambulatory patient groups (APG) methodology, governing reimbursement for licensed freestanding ambulatory surgical centers and hospital-based ambulatory surgery services as set forth herein and subject to WCB specific adjustments. The effective date of this Subpart shall be October 1, 2015.

§329-2.2 Definitions: Ambulatory Patient Group

As used in this Subpart, the following definitions shall apply:

- (a) Ambulatory Patient Group ("APG") shall mean a defined group of outpatient procedures, encounters or ancillary services, as specifically identified and published by the Department of Health, which reflect similar patient characteristics and resource utilization and which incorporate the use of ICD-10-CM diagnosis codes and CPT-4 and HCPCS procedure codes, as defined below;
- (b) Allowed APG weight shall mean the relative resource utilization for a given APG after adjusting for consolidation, packaging, and discounting.
- (c) APG relative weight shall mean a numeric value that reflects the relative expected average resource utilization (cost) for each APG as compared to the expected average resource utilization for all other APGs. Procedure-based APG weight shall mean a numeric value that reflects the relative expected average resource utilization (cost) for a specific procedure. A procedure that

has been assigned its own weight shall have its payment derived from its procedure-specific weight without regard to the weight of the APG to which the procedure groups.

(d) Workers' Compensation specific base rates shall mean the numeric value that shall be multiplied by the allowed APG weight for a given APG, or by the final APG relative weight to determine the total allowable Workers' Compensation operating payment for a visit.

(e) Consolidation, also known as "bundling", shall mean the process for determining if a single payment amount is appropriate in those circumstances when a patient receives multiple APG procedures during a single patient visit.

(f) Current Procedural Terminology, fourth edition (CPT-4) is the systematic listing and coding of procedures and services provided by physicians or other related health care providers. It is a subset of the Healthcare Common Procedure Coding System (HCPCS). The CPT-4 and HCPCS are maintained by the American Medical Association and the federal Centers for Medicare and Medicaid Services and are updated annually.

(g) Discounting shall mean the reduction in APG payment that results when additional procedures do not consolidate. Additional occurrences of the same ancillary APG within a single visit or episode will also discount.

(h) APG Software System shall mean the New York State-specific version of the APG computer software developed and published by Minnesota Mining and Manufacturing Corporation (3M) to process CPT-4 and ICD-10 code information in order to assign patient visits to the appropriate APG category or categories and apply appropriate bundling, packaging and discounting to assign the appropriate final APG weight and associated reimbursement.

(i) Final APG Weight shall mean the allowed APG weight for a given visit as expressed in the applicable APG software, and as adjusted by all applicable consolidation, packaging and discounting and other applicable adjustments.

(j) International Classification of Diseases, 10th Revision (ICD-10) is a comprehensive coding system maintained by the federal Centers for Medicare and Medicaid Services in the US Department of Health and Human Services. It is maintained for the purpose of providing a standardized, universal coding system to identify and describe patient diagnoses, symptoms, complaints, conditions and/or causes of injury or illness. It is updated annually.

(k) Packaging shall mean those circumstances in which payment for routine ancillary services or drugs shall be deemed as included in the applicable APG payment for a related significant procedure or medical visit. Medical visits also package with significant procedures, unless specifically excepted herein.

(l) Significant procedure APG shall mean an APG incorporating a medical procedure that constitutes the primary reason for the visit in terms of time and resources expended.

(m) Medical visit APG shall mean an APG representing a visit during which a patient received medical treatment, but did not have a significant procedure performed.

(n) Visit shall mean a unit of service consisting of all the APG services performed for a patient that are coded on the same claim and share a common date of service.

(o) Peer Group shall mean a group of providers that share a common APG Workers' Compensation specific base rate. Peer groups may be established based on facility licensure, geographic region, types of services provided or categories of patients.

(p) Ancillary services APGs shall mean those APGs designated by the Department of Health as reflecting those tests and procedures ordered by physicians to assist in patient diagnosis and/or treatment.

§329-2.3 APGs, Relative Weights, and system updating

The table of APG Weights, Procedure Based Weights and units, and APG Fee Schedule Fees and units for each effective period are published on the New York State Department of Health website at:

http://www.health.state.ny.us/health_care/medicaid/rates/apg/docs/apg_payment_components.xls and are herein incorporated by reference.

§329-2.4 Diagnostic coding and rate computation

(a) Facility shall assign ICD-10 diagnostic and HCPCS/CPT-4 procedure codes for each visit and shall utilize the claim coding information to assign the applicable APG. The facility shall use the APG software system to determine the significant procedure APG, applicable ancillary services APGs and the final weight for a visit. The APG software system shall incorporate methodologies for consolidation, packaging and discounting to be reflected in the final weight to be assigned to the claim.

(b) Other applicable adjustments shall be made by the facility

(c) Bill in accordance with APG requirements and WCB adjustments submitted for reimbursement to Payer with a copy to WCB

§329-2.5 System updating and incorporation by reference

(a) The following elements of the APG rate-setting system shall be updated no less frequently than annually:

(1) the listing of reimbursable APGs subject to this Subpart and the relative weight assigned to each such APG;

(2) the Workers' Compensation specific base rates;

(3) the applicable ICD-10 codes utilized in the APG software system;

(4) the applicable CPT-4/HCPCS codes utilized in the APG software system;

(5) the APG software system

(b) The Current Procedure Code, fourth edition (CPT-4) and the Healthcare Common Procedure Coding System (HCPCS), published by the American Medical Association, and the International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM), published by the United States Department of Health and Human Services, as described in this Subpart, are hereby incorporated by reference, with the same force and effect as if fully set forth herein and are available at <http://www.cms.gov/Medicare/Coding/ICD10/Downloads/2016-Code-Descriptions-in-Tabular-Order.zip>. Copies of the CPT-4 and HCPCS are also available from the American Medical Association, Order Department, P.O. Box 930876, Atlanta, Georgia 31193-0876. Copies of the ICD-10CM are also available from the United States Government Printing Office, P.O. Box 371954, Pittsburgh, Pennsylvania 15250-7954. Copies of the WCB Ambulatory Surgery Base Rates are be available on the WCB website and may be downloaded without cost. Information about the WCB Ambulatory Surgery Fee Schedule or a paper copy of the WCB Ambulatory Surgery Base Rates may be requested by email at GENERAL_INFORMATION@wcb.ny.gov, or by telephone at 1-800-781-2362. More information about the APG system and the 3M products that support it are available at: http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm 