Regulatory Committee Insights

New COVID-19 treatments add-on payment (NCTAP)

Amid the many recent COVID-19 coding updates, it may have been easy to overlook Medicare’s new COVID-19 treatments add-on payment (NCTAP). The NCTAP is applied in addition to the MS-DRG payment for inpatient cases. Currently, there are three products that meet the requirements for the NCTAP additional payment:

* COVID-19 convalescent plasma
* Veklury® (remdesivir)
* baricitinib (Olumiant) used in combination with remdesivir (Veklury®)

The NCTAP for the **COVID-19 convalescent plasma and Veklury® (remdesivir)** became effective for hospital **discharges on or after November 2, 2020**. In addition to the ICD-10-PCS code to identify the COVID-19 treatment, the claim must also include the ICD-10-CM diagnosis code U07.1, COVID-19, to be eligible for the NCTAP. Below is the list of ICD-10-PCS codes for these COVID-19 treatments:

* XW033E5, Introduction of Remdesivir Anti-infective into Peripheral Vein, Percutaneous Approach, New Technology Group 5
* XW043E5, Introduction of Remdesivir Anti-infective into Central Vein, Percutaneous Approach, New Technology Group 5
* XW13325, Transfusion of Convalescent Plasma (Nonautologous) into Peripheral Vein, Percutaneous Approach, New Technology Group 5
* XW14325, Transfusion of Convalescent Plasma (Nonautologous) into Central Vein, Percutaneous Approach, New Technology Group 5)

The NCTAP for the **baricitinib** (Olumiant) used in combination with remdesivir (Veklury®) became effective for hospital **discharges on or after November 19, 2020**. In addition to an ICD-10-PCS code to identify the baricitinib (Olumiant), the claim must also include the ICD-10-CM diagnosis code U07.1, COVID-19, to be eligible for the NCTAP.

Additionally, in accordance with the emergency use authorization which is for the use of baricitinib with remdesivir, the claim must also include an ICD-10-PCS code for remdesivir (XW033E5 or XW043E5).

The ICD-10-PCS codes used to report the **baricitinib (Olumiant)** vary based on discharge date. The following ICD-10-PCS codes are to be used for **discharges from November 19, 2020, through December 31, 2020**.

* XW0DXF5, Introduction of other new technology therapeutic substance into mouth and pharynx, external approach, new technology group 5
* 3E0G7GC, Introduction of other therapeutic substance into upper G.I. via natural or artificial opening
* 3E0H7GC, Introduction of other therapeutic substance into lower G.I. via natural or artificial opening

For discharge dated on or after **January 1, 2021,** the following ICD-10-PCS codes are required to report the **baricitinib (Olumiant)**:

* XW0DXM6, Introduction of Baricitinib into Mouth and Pharynx, External Approach, New Technology Group 6
* XW0G7M6, Introduction of Baricitinib into Upper GI, Via Natural or Artificial Opening, New Technology Group 6
* XW0H7M6, Introduction of Baricitinib into Lower GI, Via Natural or Artificial Opening, New Technology Group 6

The NCTAP will remain in effect until the end of the COVID-19 public health emergency. The interim final rule requires that the NCTAP pay hospitals the lesser of:

* (1) 65% of the operating outlier threshold for the claim or
* (2) 65% of the amount by which the costs of the case exceed the standard DRG payment, including the adjustment to the relative weight under section 3710 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, for certain cases that include the use of a drug or biological product currently authorized or approved for treating COVID-19.

Note that not all the ICD-10-PCS codes for COVID-19 treatments and vaccines recently released (effective August 1, 2020, and January 1, 2021) qualify for the additional payment. CMS has indicated that it will provide additional instruction on how eligible cases will be identified, for any new treatments that may later qualify for the NCTAP.

To facilitate payment, clinical documentation and coding professionals will want to address the following issues.

* **The best health record sources** to identify the administration of these drugs, such as the medication administration record and/or provider progress notes. This may be of particular importance for the administration of the baricitinib which is typically administered orally but may also be given via gastrostomy feeding tube or nasogastric tube. (See [this document from the Federal Drug Administration](https://www.fda.gov/media/143823/download) for more info.)
* **The encoder pathway** to be used to locate the appropriate ICD-10-PCS code(s). Note that the codes for baricitinib prior to January 1, 2021, do not uniquely identify the baricitinib. The code for the oral administration is located in the New Technology XW0 table and the codes for the administration via artificial opening are found in the 3E0 Introduction Table.
* Determine whether an **alert can be created for the EHR** to notify the coding and CDI staff of cases that have charges for these treatments posted to the case.
* Ensure that CDI and coding professionals are aware that the many **newly created ICD-10-PCS codes for COVID-19 treatments are only intended for use when these drugs are being administered to treat COVID-19**. That is, it is incorrect to assign these codes for when the drug is administered for a non-COVID-19 medical condition. (See the [*Coding Clinic* Frequently Asked Questions on COVID-19](https://www.codingclinicadvisor.com/sites/default/files/Frequently%20Asked%20Questions%20Regarding%20COVID-19_v14C_Secure.pdf) for more info.)

More information on the NCTAP is available in the interim final rule published in the Federal Register on November 6, 2020. [Click here to read it](https://www.federalregister.gov/documents/2020/11/06/2020-24332/additional-policy-and-regulatory-revisions-in-response-to-the-covid-19-public-health-emergency).

Additional information is also available in [the CMS NCTAP announcement](https://www.cms.gov/medicare/covid-19/covid-19-treatments-add-payment-nctap), last modified on December 18, 2020.

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