

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2264	Date: July 29, 2011
	Change Request 7488

SUBJECT: October 2011 Quarterly Average Sales Price (ASP) Medicare Part B Drug Pricing Files and Revisions to Prior Quarterly Pricing Files

I. SUMMARY OF CHANGES: The ASP methodology is based on quarterly data submitted to CMS by manufacturers. CMS will supply contractors with the ASP and not otherwise classified (NOC) drug pricing files for Medicare Part B drugs on a quarterly basis. Payment allowance limits under the OPSS are incorporated into the Outpatient Code Editor (OCE) through separate instructions that can be located in Chapter 4, section 50 of the IOM.

EFFECTIVE DATE: October 1, 2011

IMPLEMENTATION DATE: October 3, 2011

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revise information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	

III. FUNDING:

For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs):

No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Recurring Update Notification

**Unless otherwise specified, the effective date is the date of service.*

		M A C	M A C		R I E R	I	F I S S	M C S	V M S	C W F	
7488.1	The October 2011 and, if released, the revised July 2011, April 2011, January 2011, and October 2010 ASP drug pricing files for Medicare Part B drugs will be available via the CMS Data Center (CDC).	X	X	X	X	X	X				
7488.1.1	Contractors shall download the October 2011 ASP drug pricing file through the CDC on or after September 16, 2011. Final File: MU00.@BF12390.ASP.R2.CY11.OCT.Q.V0916	X	X	X	X	X	X				
7488.1.1.1	Contractors shall retrieve the October 2011 ASP NOC pricing file from the CMS ASP webpage on or after September 16, 2011.	X	X		X	X					
7488.1.1.2	Contractors shall use the October 2011 ASP and NOC drug pricing files to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after October 3, 2011 with dates of service October 1, 2011, through December 31, 2011.	X	X		X	X	X				
7488.1.1.3	Contractors shall use the October 2011 ASP drug pricing file to update the drug payment limits for claims for infusion drugs furnished through a covered item of DME processed or reprocessed on or after October 3, 2011 with dates of service on or after October 1, 2011.	X	X		X						
7488.1.2	If released by CMS, contractors shall download the revised July 2011 ASP drug pricing file through the CDC on or after September 16, 2011. Final File: MU00.@BF12390.ASP.R2.CY11.JUL.Q.V0916	X	X	X	X	X	X				
7488.1.2.1	If released by CMS, contractors shall overlay or manually update the previous July 2011 file with the new July 2011 ASP drug pricing file.	X	X	X	X	X	X				
7488.1.2.2	If released by CMS, contractors shall use the revised July 2011 ASP drug pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after October	X	X	X	X	X	X				

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B M A C	D E M A C	F I I E R	C A R I E R	R H I S S	Shared-System Maintainers				OTH ER
						F I S S	M C S	V M S	C W F		
	3, 2011 with dates of service July 1, 2011, through September 30, 2011.										
7488.1.2.3	If released by CMS, contractors shall retrieve the revised July 2011 ASP NOC pricing file from the CMS ASP webpage on or after September 16, 2011.	X	X		X	X					
7488.1.2.4	If released by CMS, contractors shall use the revised July 2011 ASP NOC pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after October 3, 2011 with dates of service July 1, 2011, through September 30, 2011.	X	X		X	X	X				
7488.1.3	If released by CMS, contractors shall download the revised April 2011 ASP drug pricing file through the CDC on or after September 16, 2011. Final File: MU00.@BF12390.ASP.R2.CY11.APR.Q.V0916	X	X	X	X	X	X				
7488.1.3.1	If released by CMS, contractors shall overlay or manually update the previous April 2011 file with the new April 2011 ASP drug pricing file.	X	X	X	X	X	X				
7488.1.3.2	If released by CMS, contractors shall use the revised April 2011 ASP drug pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after October 3, 2011 with dates of service April 1, 2011, through June 30, 2011.	X	X	X	X	X	X				
7488.1.3.3	If released by CMS, contractors shall retrieve the revised April 2011 ASP NOC pricing file from the CMS ASP webpage on or after September 16, 2011.	X	X		X	X					
7488.1.3.4	If released by CMS, contractors shall use the revised April 2011 ASP NOC pricing file to	X	X		X	X	X				

Number	Requirement	Responsibility (place an "X" in each applicable column)								
		A / B M A C	D M E M A C	F I M I E R	C A R R I E R	R H H I	Shared-System Maintainers			
						F I S S	M C S	V M S	C W F	
	determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after October 3, 2011 with dates of service April 1, 2011, through June 30, 2011.									
7488.1.4	If released by CMS, contractors shall download the revised January 2011 ASP drug pricing file through the CDC on or after September 16, 2011. Final File: MU00.@BF12390.ASP.R2.CY11.JAN.Q.V0916	X	X	X	X	X	X			
7488.1.4.1	If released by CMS, contractors shall overlay or manually update the previous January 2011 file with the new January 2011 ASP drug pricing file.	X	X	X	X	X	X			
7488.1.4.2	If released by CMS, contractors shall use the revised January 2011 ASP drug pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after October 3, 2011 with dates of service January 1, 2011, through March 31, 2011.	X	X	X	X	X	X			
7488.1.4.3	If released by CMS, contractors shall retrieve the revised January 2011 ASP NOC pricing file from the CMS ASP webpage on or after September 16, 2011.	X	X		X	X				
7488.1.4.4	If released by CMS, contractors shall use the revised January 2011 ASP NOC pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after October 3, 2011 with dates of service January 1, 2011, through March 31, 2011.	X	X		X	X	X			
7488.1.5	If released by CMS, contractors shall download the revised October 2010 ASP drug pricing file through the CDC on or after	X	X	X	X	X	X			

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B M A C	D M E M A C	F I M I E R	C A R R I E R	R H I S S	Shared-System Maintainers				OTH ER
							F I S S	M C S	V M S	C W F	
	September 16, 2011. Final File: MU00.@BF12390.ASP.R2.CY10.OCT.Q.V0916										
7488.1.5.1	If released by CMS, contractors shall overlay or manually update the previous October 2010 file with the new October 2010 ASP drug pricing file.	X	X	X	X	X	X				
7488.1.5.2	If released by CMS, contractors shall use the revised October 2010 ASP drug pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after October 3, 2011 with dates of service October 1, 2010, through December 31, 2010.	X	X	X	X	X	X				
7488.1.5.3	If released by CMS, contractors shall retrieve the revised October 2010 ASP NOC pricing file from the CMS ASP webpage on or after September 16, 2011.	X	X		X	X					
7488.1.5.4	If released by CMS, contractors shall use the revised October 2010 ASP NOC pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after October 3, 2011 with dates of service October 1, 2010, through December 31, 2010.	X	X		X	X	X				
7488.2	Contractors shall not search and adjust claims that have already been processed unless brought to their attention.	X	X	X	X	X	X				
7488.3	Notification of successful receipt shall be sent via e-mail to price_file_receipt@cms.hhs.gov stating the name of the file received and the entity for which it was received (e.g., carrier/DME MAC/fiscal intermediary name and number).	X	X	X	X	X	X				
7488.4	The ASP and NOC drug pricing files will contain the applicable payment allowance	X	X	X	X	X	X				

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B M A C	D M E M A C	F I M I E R	C A R R I E R	R H I I S S	Shared-System Maintainers				OTH ER
						F I S S	M C S	V M S	C W F		
	limits (i.e., 106% ASP, 106% WAC, or 95% AWP); therefore, Medicare contractors shall not make any additional payment calculations.										
7488.5	For any drug or biological not listed in the ASP or NOC drug pricing files, contractors shall determine the payment allowance limits in accordance with the policy described in the Medicare Claims Processing Manual, Chapter 17, Section 20.1.3, and JSM-06391.	X	X	X	X	X	X				
7488.5.1	FIs shall seek payment allowances not on the ASP file from their local carrier for drugs and biologicals.	X		X		X					
7488.6	Contractors shall use the most current version available of the Medicare Contractor Reporting Template for Part B drugs to report information on Medicare Part B drugs not paid on a cost or prospective payment basis when payment limits are not listed in the quarterly drug pricing ASP and NOC files, or in the OPSS Pricer.	X	X	X	X	X					
7488.6.1	Contractors shall use the template to report pricing information for the NOC drugs not included on the Medicare Part B NOC pricing file, any HCPCS drug codes not on the ASP file, and OPSS drugs not in the OPSS Pricer.	X	X	X	X	X					
7488.6.2	Contractors shall list all drugs that were priced since the last submitted report.	X	X	X	X	X					
7488.6.3	Contractors shall list each drug priced on the report only once.	X	X	X	X	X					
7488.6.4	For compounded drugs, contractors shall report the name of each drug in the compounded product.	X	X	X	X	X					
7488.6.5	Contractors shall prepare and submit the reports so that each report covers approximately 30 days of pricing activity.	X	X	X	X	X					
7488.6.6	Contractors shall report drugs omitted from	X	X	X	X	X					

		M A C	M A C		R I E R	I	F I S S	M C S	V M S	C W F	
7488.7	<p>A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv.</p> <p>Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.</p>	X	X	X	X	X					

IV. SUPPORTING INFORMATION

A. For any recommendations and supporting information associated with listed requirements, use the box below:

Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
	N/A

B. For all other recommendations and supporting information, use this space: N/A

V. CONTACTS

Pre-Implementation Contact(s): Glenn McGuirk, Glenn.McGuirk@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Technical Representative (COTR) or Contractor Manager, as applicable.

VI. FUNDING

A: *For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs):*

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B. *For Medicare Administrative Contractors (MAC):*

The Medicare Administrative Contractor (MAC) is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as changes to the MAC Statement of Work (SOW). The contractor is not obligated to incur costs in excess of the amounts specified in your contract unless and until specifically authorized by the contracting officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the contracting officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.