



Related MLN Matters Article #: MM3584

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Number of Drug Pricing Files That Must Be Maintained Online for Medicare Durable Medical Equipment Regional Carriers (DMERCs)

Key Words

CR3584, MM3584, R509CP, Payment, Limit, Drug, Biologicals, ASP

Provider Types Affected

Durable Medical Equipment (DME) Suppliers that bill Medicare DMERCs

Key Points

- The effective date of the instruction is July 1, 2005.
- The implementation date is July 5, 2005.
- Beginning January 1, 2005, payment limit for Part B drugs and biologicals will be based on Average Sales Price (ASP).
- Drugs will be paid based on either the lower of the submitted charge or ASP and will continue to be priced based on the date of service.
- Beginning July 1, 2005, the number of online fee screens/pricing files DMERC systems must maintain in order to determine the amount to pay for fee-for-service drug claims increases to eight.
- This increase will allow DMERCs to maintain 2 years of drug pricing files to facilitate the implementation of the ASP pricing methodology.

Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3584.pdf> on the CMS website.

The official instructions (CR3584) issued regarding this change can be found at

<http://www.cms.hhs.gov/Transmittals/downloads/R509CP.pdf> on the CMS website.