



Related MLN Matters Article #: MM3681

Date Posted: March 14, 2005

Related CR #: 3681

### *Billing for Blood and Blood Products Under the Hospital Outpatient Prospective Payment System (OPPS)*

#### Key Words

CR3681, MM3681, OPPS, Blood, LIDOS, HCPCS, BL, 0399, 0390, 038X

#### Provider Types Affected

Providers billing Medicare Fiscal Intermediaries (FIs) for services paid under the OPPS

#### Key Points

- The effective date of the instruction is July 1, 2005.
- The implementation date is July 5, 2005.
- CR3681 clarifies Medicare procedures and policies for the billing of blood and blood products in the hospital outpatient setting.
- Effective for services paid under the OPPS and furnished on or after July 1, 2005, hospitals should report charges for blood and blood products as follows:
  - If an OPPS provider pays for the actual blood or blood product itself obtained from a community blood bank, or collects the blood or blood product in the OPPS provider's own blood bank and also assesses a charge for the blood, in addition to paying for processing and storage costs, the OPPS provider must separate the charge for the unit(s) of blood or blood product(s) from the charge for processing and storage services.
  - The OPPS provider reports charges for the blood or blood product itself using Revenue Code series 038X with the line item date of service (LIDOS), the number of units transfused, and the appropriate blood product Healthcare Common Procedure Coding System (HCPCS) code and HCPCS modifier BL.
  - The OPPS provider reports charges for processing and storage services on a separate line using Revenue Code 0390 or 0399 with the LIDOS, the number of units transfused, and the appropriate blood product HCPCS code and HCPCS modifier BL.

- The OPPS provider must report a charge for processing and storage services on a separate line using Revenue Code 0390 or 0399, whenever a charge for blood or blood products using Revenue Code 038X is reported.
- The same LIDOS, the same number of units, the same HCPCS code, and HCPCS modifier BL must be reported on both lines.
- In order to process to payment, both lines must report the same line item date of service, the same number of units, and the same HCPCS code accompanied by modifier BL.
- Units of whole blood or packed red cells for which only processing and storage charges are reported are not subject to the blood deductible.
- The Medicare blood deductible is applicable only if the OPPS provider purchases whole blood or packed red cells from a community blood bank or if the OPPS provider assesses a charge for blood collected in its own blood bank that reflects more than charges for blood processing and storage.
- If the beneficiary has not already fulfilled the annual blood deductible or replaced the blood, OPPS payment for the blood or blood product will be made for the processing and storage costs only.
- The beneficiary is liable for the blood portion of the payment as the blood deductible.

### Important Links

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3681.pdf>

For complete details, affected providers should see the official instructions issued to FIs regarding this change. These instructions, which also include the new Section 231 of Chapter 4 of the *Medicare Claims Processing Manual*, may be viewed at <http://www.cms.hhs.gov/transmittals/downloads/R496CP.pdf> and <http://www.cms.hhs.gov/transmittals/downloads/R18GI.pdf> on the CMS website.

If affected providers have any questions, they should contact their intermediary at their toll-free number, which may be found at

<http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.