



Related MLN Matters Article #: MM3835

Date Posted: November 9, 2005

Related CR #: 3835

Redefined Type of Bill (TOB), 14x, for Non-Patient Laboratory Specimens

Key Words

MM3835, CR3835, TOB, 14x, Specimens, 85x, Diagnostic, Tests, CAH, Cost, Reimbursement

Provider Types Affected

All hospitals billing for non-patient lab specimens, but particularly Maryland Hospitals billing Medicare Fiscal Intermediaries (FIs) for laboratory services for their outpatients, and for non-patients and critical access hospitals (CAHs) billing FIs for laboratory services for their outpatients and for non-patients

Key Points

- The effective date of the instruction is October 1, 2004.
- The implementation date is April 3, 2006.
- The Centers for Medicare & Medicaid Services (CMS) has redefined Type of Bill (TOB) 14x for use in billing tests for non-patient laboratory specimens, which Medicare pays for based on the Clinical Diagnostic Laboratory Fee Schedule.
 - When the lab tests are provided in **Maryland**, services to a hospital's own outpatients are paid under the **state cost containment system**. When tests are performed **on non-patient specimens**, they are categorized as "non-patient specimen only lab tests."
 - When tests are performed for a **CAH's** own outpatients, they are paid based on cost. When they are performed on non-patient specimens, the tests are paid based on the lab fee schedule.
- While 85x TOB is still used for lab tests, it is only valid if the patient is an outpatient of the CAH and physically present at the time the specimen is collected.
- A CAH cannot seek reasonable cost reimbursement for tests provided to individuals in locations such as a rural health clinic, a provider-based home health agency, the individual's home, or a physician's office. These individuals are non-patients of the CAH and their lab tests are categorized as "non-patient specimen only" lab tests.
- Affected providers must stop using Type of Bill (TOB) 14x when billing for referred diagnostic tests and reserve the use of TOB 14x for non-patient laboratory specimens.

Important Links

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3835.pdf>

The official instruction issued to FIs regarding this change may be found by going to <http://www.cms.hhs.gov/transmittals/downloads/R734CP.pdf> on the CMS website.

For additional information relating to this issue, affected providers should refer to their FI. Their toll free phone number, can be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.