



Related MLN Matters Article #: MM3467

Date Posted: January 4, 2005

Related Change Request #: 3467

MMA - Independent Laboratory Billing for the Technical Component (TC) of Physician Pathology Services to Hospital Patients

Keywords

MM3467, CR3467, R382CP, Laboratory, Pathology, BIPA, Fee Schedule, MMA

Provider Types Affected

Independent laboratories

Key Points

- The effective date of instruction is January 1, 2005.
- The implementation date is January 3, 2005.
- MLN Matters article MM3467 and related Change request (CR) 3467 implement Section 732 of the Medicare Modernization Act (MMA) that extends the provision of Section 542 of Benefits Improvement Protection Act of 2000 (BIPA) for services furnished in 2005 and 2006.
- Section 542 of BIPA allows the carrier to continue to pay independent laboratories under the physician fee schedule for the TC of physician pathology services furnished to patients of a covered hospital.
- Covered hospital means a hospital that had an arrangement with an independent laboratory that was in effect as of July 22, 1999, under which the laboratory furnished the TC of physician pathology services to fee-for-service Medicare beneficiaries who were hospital inpatients or outpatients, and the laboratory submitted claims for payment for the TC service to a carrier.
- Carriers will require independent laboratories that had an arrangement on or prior to July 22, 1999, with a covered hospital to bill for these services to provide a copy of this agreement or other documentation substantiating that an arrangement was in effect between the hospital and independent laboratory as of that date.
- Carriers will return claims for the TC of physician pathology services as unprocessable when submitted by independent laboratories that did not have an arrangement established with a covered hospital on or prior to July 22, 1999, to bill for these services under the Medicare Physician Fee Schedule.

Note: There is important new information on this issue available in *MLN Matters* article MM5468 (<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5468.pdf>). According to MM5468, qualifying independent laboratories may continue to bill Medicare for the TC of physician pathology services furnished to Medicare patients of a covered hospital stay during calendar year 2007.

Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3467.pdf> on the CMS website.

The official instruction (CR3467) regarding this change may be viewed at

<http://www.cms.gov/Transmittals/downloads/R382CP.pdf> on the CMS website.

If providers have any questions, they may contact their carrier at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.