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Implementation Date: September 27, 2004

MMA - Billing Instructions for ADVATE rAHF-PFM on Medicare Claims

Note: This article was updated on April 5, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Hospitals, Providers and Independent ESRD Facilities

Provider Action Needed



STOP – Impact to You

This is a one-time notification to ensure that providers, hospitals and independent ESRD facilities are aware of the correct Healthcare Common Procedure Coding System (HCPCS) code to use when billing for Advate.



CAUTION – What You Need to Know

ADVATE rAHF-PFM was approved by the Food and Drug Administration (FDA) on July 25, 2003; the payment limit that should be used for Advate is the same payment limit that is currently assigned to HCPCS code **J7192**. This payment limit will apply to all Advate claims submitted for services from January 1, 2004 through December 31, 2004. Also, effective for dates of service on or after July 25, 2003, claims submitted to Medicare fiscal intermediaries for Advate will be rejected if reported with any code other than J7192. Claims submitted to carriers for dates of service on or after July 25, 2003, without J7192 will be adjusted to reflect J7192 and carriers will append modifier "CC" to reflect the adjustment.



GO – What You Need to Do

Make sure that your billing staff knows that HCPCS code J7192 must be used when billing for the drug Advate effective for dates of service on or after July 25, 2003.

Disclaimer

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Background

Beginning January 1, 2004, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) provides that the payment limits for most drugs and biologicals not paid on a cost or prospective payment basis are based on 85 percent of the Average Wholesale Price (AWP) reflected in the published compendia as of April 1, 2003, for those drugs and biologicals furnished on and after January 1, 2004.

However, one of the exceptions to this general rule is the payment limit for blood clotting factors. Specifically, the payment limits for blood clotting factors are 95 percent of the AWP reflected in the published compendia as of September 1, 2003.

Advate is a blood clotting factor that was approved by the U.S. Federal Drug Administration (FDA) on July 25, 2003 for the treatment of people with hemophilia A. Advate should be reported with the existing HCPCS code J7192.

Additional Information

For the calendar year 2004, the Advate payment limit for providers and for independent ESRD facilities can be found in the 2004 MMA drug pricing file that was issued in CR3105. Information on this CR can be found at <http://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnmattersarticles/downloads/MM3105.pdf> on the CMS website.

For hospital Outpatient Prospective Payment System (OPPS), the payment rate for Advate can be found in the latest quarterly update of the OPPS Outpatient Code Editor that is posted on the CMS OPPS website. The CMS Hospital Outpatient Prospective Payment System website can be found at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalOutpatientPPS/index.html> on the CMS website.

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