Medicare Learning Network
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CMS
Information for Medicare Fee-For-Service Health Care Professionals

Related Change Request (CR) #: 3695 MLN Matters Number: MM3695
Related CR Release Date: January 13, 2005
Related CR Transmittal #: 134
Effective Date: January 1, 2005
Implementation Date: January 18, 2005

Revisions to January 2005 Quarterly Average Sales Price (ASP) Medicare Part B Drug Pricing File

Note: This article was updated on March 28, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Providers who bill fiscal intermediaries and carriers (including DMERCs) for the affected drugs

Provider Action Needed

STOP – Impact to You

The Centers for Medicare & Medicaid Services (CMS) is replacing payment limits for the first quarter of 2005 for certain Medicare Part B drugs, effective January 1, 2005.

CAUTION – What You Need to Know

The revised payment limits apply to dates of service on or after January 1, 2005, and on or before March 31, 2005. Please note that the related CR 3695 makes revisions to the earlier CR 3539 and that the revised payment limits in this notification supercede the payment limits for these codes in any publication published prior to this document.

GO – What You Need to Do

To ensure accurate claims processing, please review the information included here and stay current with guidelines on Medicare Part B drugs and biologicals.

Disclaimer
This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

Background

Section 303(c) of the Medicare Modernization Act (MMA) of 2003 revises the payment methodology for Part B covered drugs that are not paid on a cost or prospective payment basis. Effective January 1, 2005, drugs and biologicals not paid on a cost or prospective payment basis will be paid based on the new Average Sale Price (ASP) drug payment methodology.

The ASP payment methodology is based on data submitted to CMS by manufacturers at the 11-digit National Drug Code (NDC) level. CMS uses published drug pricing compendia and other sources to identify the number of billable units per NDC.

Through receipt of additional data, CMS has determined that certain payment limits included in the first quarter of calendar year 2005 (1Q05) Medicare Part B Drug Pricing File require revision. The revised payment limits apply to dates of service on or after January 1, 2005, and on or before March 31, 2005. The revised payment limits in this notification supercede the payment limits for these codes in any publication published prior to this document.

The affected drugs and the associated revised payment limits are contained in the following table.

HCPCS	Short Description	HCPCS Code Dosage	1Q05 Payment Limit	1Q05 Independent ESRD Limit
90747*	ENGERIX-B	40 MCG	$113.91	$113.91
J0835	Inj cosyntropin per 0.25 MG	0.25 MG	$64.60	$64.60
J1563	IV immune globulin	1 GRAM	$56.72	$56.72
J1564	Immune globulin 10 mg	10 MG	$0.57	$0.57
J1655	Tinzaparin sodium injection	1000 IU	$2.60	$2.60
J2324	Nesiritide	0.25 MG (revised)	$73.33	$73.33
J3315	Triptorelin pamoate	3.75 MG	$180.93	$180.93
J3470	Inj hyaluronidase	up to 150 units	$20.00	$20.00
J7030	Sodium Chloride	1000 CC	$0.10	$0.10
J7350	Injectable human tissue	10 MG	$4.53	$4.53
J7611	Albuterol concentrated form	1 MG	$0.07	$0.07
J8501	Oral aprepitant	5 MG	$4.62	$4.62
J9185	Fludarabine phosphate inj	50 MG	$272.09	$272.09
J9214	Intron-A	1 UNIT	$13.12	$13.12
Q0179	Zofran	8 MG	$30.86	$30.86
Q2014	Geref	0.5 MG	$8.77	$8.77

*The revised payment limit for 90747 is based on the pricing methodology for vaccines (95% AWP).

Note: The absence or presence of a HCPCS code and its associated payment limit in the ASP files does not indicate Medicare coverage of the drug or biological.

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Additional Information

The official instruction issued regarding this change can be found at http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R134OTN.pdf on the CMS website.

You may also refer to the earlier CR 3539 for additional background information – CR 3695 makes revisions to information provided in CR 3539. This instruction may be found at http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R348CP.pdf on the CMS website.

If you have questions regarding this issue, you may also contact your carrier or fiscal intermediary at their toll free number, which may be found at http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html on the CMS website.

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