



News Flash – The revised Clinical Laboratory Fee Schedule Fact Sheet (January 2010), which provides general information about the Clinical Laboratory Fee Schedule, coverage of clinical laboratory services, and how payment rates are set, is now available in downloadable format from the Centers for Medicare & Medicaid Services Medicare Learning Network at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/clinical_lab_fee_schedule_fact_sheet.pdf http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/clinical_lab_fee_schedule_fact_sheet.pdf on the CMS website.

MLN Matters® Number: MM6864

Related Change Request (CR) #: 6864

Related CR Release Date: March 19, 2010

Effective Date: January 1, 2010

Related CR Transmittal #: R1933CP

Implementation Date: April 5, 2010

Note: This article was updated on November 30, 2012, to reflect current Web addresses. All other information remains unchanged.

Clinical Laboratory Fee Schedule (CLFS) - Medicare Travel Allowance Fees for Collection of Specimens

Provider Types Affected

This article is for clinical laboratories submitting claims to Medicare contractors (carriers, Fiscal Intermediaries (FIs), and/or A/B Medicare Administrative Contractors (A/B MACs)) for clinical laboratory specimen collection services provided to Medicare beneficiaries.

What You Need to Know

This article is based on Change Request (CR) 6864 which updates the Medicare travel allowance fees for collection of specimens for Calendar Year (CY) 2010. The Centers for Medicare & Medicaid Services (CMS) will issue annual updated travel allowance amounts via a recurring update CR. Be sure billing staffs know of these changes.

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Background

Under Part B, Medicare covers a specimen collection fee and travel allowance for a laboratory technician who draws a specimen from either a nursing home or homebound patient under the Social Security Act (Section 1833(h)(3), (see http://www.ssa.gov/OP_Home/ssact/title18/1833.htm on the Internet); and payment is made based on the clinical laboratory fee schedule.

The travel allowance, which is intended to cover the estimated travel costs of collecting a specimen (including the laboratory technician's salary and travel expenses), is made only if a specimen collection fee is also payable. The travel codes allow for such payment either on a per mileage basis (Healthcare Common Procedure Coding System (HCPCS) code P9603 – Travel allowance one way in connection with medically necessary laboratory specimen collection drawn from home bound or nursing home bound patient; prorated miles actually travelled), or on a flat rate per trip basis (HCPCS code P9604 – Travel allowance one way in connection with medically necessary laboratory specimen collection drawn from home bound or nursing home bound patient; prorated trip charge).

Under either method, when one trip is made for multiple specimen collections (e.g., at a nursing home), the travel payment component is prorated based on the number of specimens collected on that trip, for both Medicare and non-Medicare patients, either at the time the claim is submitted by the laboratory or when the flat rate is set by the contractor. The 2010 travel allowances are:

1. Per-Mile Travel Allowance (HCPCS Code P9603)

The per-mile travel allowance is to be used when the average trip to the patients' homes is longer than 20 miles round trip, and is to be prorated when specimens are also drawn from non-Medicare patients in the same trip. CR 6864 instructs your contractor to pay for **HCPCS code P9603**, when the average trip to the patients' homes exceeds 20 miles round trip, at a total of **\$0.95 per mile**. This includes:

- The Federal mileage rate of \$0.50 per mile **plus**
- An additional \$0.45 per mile to cover the technician's time and travel costs.

Your contractor has the option to establish a higher per mile rate for HCPCS code P9603, in excess of the minimum \$0.95 per mile, if local conditions warrant it. In addition, the minimum mileage rate will be reviewed and updated in conjunction with the CLFS as needed.

2. Per Flat-Rate Trip Basis Travel Allowance (HCPCS Code P9604)

CR 6864 also instructs your contractor to pay for **HCPCS code P9604** on a flat-rate trip basis travel allowance of **\$9.50 per trip**.

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NOTE: At no time will the laboratory be allowed to bill for more miles than are reasonable or for miles that are not actually traveled by the laboratory technician.

Please keep in mind that Medicare allows your contractor to choose either the mileage or flat rate basis for payment, and to also choose how to set each type of allowance. Finally, remember that your contractor will not search their files to either retract payment or retroactively pay claims; however, should adjust claims that you bring to their attention.

Additional Information

You can find the official instruction, CR6864, issued to your carrier, FI, or A/B MAC by visiting <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1933CP.pdf> on the CMS website.

If you have any questions, please contact your carrier 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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