DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

MLN Matters® — Information for Medicare Fee-for-Service Health Care Professionals

News Flash – The Centers for Medicare & Medicaid Services (CMS) has released 4 podcasts and a video slideshow presentation of the May 18, 2011, national provider call on "CMS ICD-10 Conversion Activities, Including a Lab Case Study." The podcasts, slideshow presentation, and written transcripts are now available at http://www.cms.gov/ICD10/Tel10/itemdetail.asp?itemID=CMS1246998 on the CMS website. The 4 audio podcasts with corresponding written transcripts, as well as the full written transcript of the call can be accessed by scrolling to the "Downloads" section at the bottom of the page. To access the video slideshow presentation, select the link in the "Related Links Outside CMS" section of the webpage.

MLN Matters® Number: MM7497

Related Change Request (CR) #: CR 7497

Related CR Release Date: August 1, 2011

Effective Date: January 1, 2012

Related CR Transmittal #: R939OTN

Implementation Date: January 3, 2012

Independent Laboratory Billing of Automated Multi-Channel Chemistry (AMCC) Organ Disease Panel Laboratory Tests for Beneficiaries who are not Receiving Dialysis for Treatment of End Stage Renal Disease (ESRD)

Provider Types Affected

This article is for laboratories billing Medicare contractors (Carriers or Medicare Administrative Contractors (MACs)) for Automated Multi-Channel Chemistry (AMCC) End Stage Renal Disease (ESRD) related tests provided to Medicare beneficiaries.

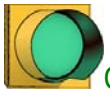
Provider Action Needed

STOP – Impact to You

This article is based on Change Request (CR) 7497 which updates requirements regarding Independent Laboratory (IL) billing of Automated Multi-Channel Chemistry (AMCC) organ disease panel laboratory tests for beneficiaries who are not receiving dialysis for treatment of End Stage Renal Disease (ESRD).

CAUTION – What You Need to Know

Effective for services on or after January 1, 2012, CR7497 eliminates the requirement for ILs to bill separately for each individual AMCC laboratory test included in organ disease panel codes for ESRD eligible beneficiaries. Organ disease panels will be paid under the Clinical Laboratory Fee Schedule and will not be subject to the 50/50 rule payment calculation when billed by ILs.



GO – What You Need to Do

See the Background and Additional Information Sections of this article for further details regarding these changes.

Background

Prior to January 2011, ILs were paid according to the 50/50 rule payment calculation for AMCC laboratory tests provided to beneficiaries who were eligible for Medicare under the ESRD benefit. Additionally, under the 50/50 rule, ILs were not allowed to bill organ disease panel codes listed in the following table because of the 50/50 rule payment calculation.

HCPCS/CPT Code	Description
80047	METABOLIC PANEL IONIZED CA
80048	METABOLIC PANEL TOTAL CA
80051	ELECTROLYTE PANEL
80053	COMPREHEN METABOLIC PANEL
80061	LIPID PANEL
80069	RENAL FUNCTION PANEL
80076	HEPATIC FUNCTION PANEL

ILs were required to bill for each individual laboratory test included in the organ disease panel and use the following modifiers with each code to identify which tests were included in the composite rate and which were separately payable:

- CD - AMCC test has been ordered by an ESRD facility or MCP physician that is part of the composite rate and is not separately billable
- CE - AMCC test has been ordered by an ESRD facility or MCP physician that is a composite rate test but is beyond the normal frequency covered under the rate and is separately reimbursable based on medical necessity
- CF – AMCC test has been ordered by an ESRD facility or MCP physician that is not part of the composite rate and is separately billable

(See the MLN Matters® article corresponding to CR6683 (Transmittal 661, issued April 5, 2010) at http://www.cms.gov/MLNMattersArticles/downloads/MM6683.pdf on the Centers for Medicare & Medicaid Services (CMS) website.)

Since the implementation of the ESRD Prospective Payment System (PPS) on January 1, 2011, ILs are no longer able to bill Medicare directly for any AMCC laboratory test that is related to the treatment of ESRD because payment for that test is already included in the bundled rate paid to the dialysis facility. Consequently, the 50/50 rule payment calculation was discontinued for ILs.

Claim editing was put in place that would allow ILs to bill (and be separately paid) for bundled laboratory tests performed on ESRD eligible patients so long as the service is not related to the treatment of ESRD.

If a Medicare beneficiary is not receiving dialysis treatment (for whatever reason), the IL may bill Medicare directly for any laboratory test it performs. However, while ILs can now be separately paid for individual laboratory tests performed on ESRD eligible patients who are not receiving dialysis, the editing that disallowed billing of organ disease panel codes for ESRD eligible beneficiaries remains active.

CR7497 eliminates the requirement for ILs to bill separately for each individual AMCC laboratory test included in organ disease panel codes for ESRD eligible beneficiaries. Organ disease panels

- Will be paid under the Clinical Laboratory Fee Schedule and
- Will not be subject to the 50/50 rule payment calculation when billed by ILs.

In summary, CR7497 instructs that, effective January 1, 2012, your Medicare contractor(s) will:

- Allow organ disease panel codes (i.e., HCPCS codes 80047, 80048, 80051, 80053, 80061, 80069, and 80076) to be billed by ILs for ESRD eligible beneficiaries when the beneficiary is not receiving dialysis treatment for any reason (e.g., post-transplant beneficiaries); and
- Make payment for organ disease panels according to the Clinical Laboratory Fee Schedule and apply the normal ESRD PPS editing rules for IL claims described in CR7064 (Transmittal 2134, issued January 14, 2011; see the MLM Matters article corresponding to CR7064 at http://www.cms.gov/MLNMattersArticles/downloads/MM7064.pdf on the CMS website).

Additional Information

The official instruction, CR7497, issued to your carriers or A/B MACS regarding this change may be viewed at http://www.cms.gov/Transmittals/downloads/R939OTN.pdf on the CMS website.

If you have any questions, please contact your carriers or A/B MACs at their toll-free number, which may be found at http://www.cms.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip on the CMS website.