

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services



NEW product from the Medicare Learning Network® (MLN)

- [“Medicare Quarterly Provider Compliance Newsletter \[Volume 4, Issue 4\]”](#), Educational Tool, ICN 909012, downloadable

MLN Matters® Number: MM8836

Related Change Request (CR) #: CR 8836

Related CR Release Date: July 18, 2014

Effective Date: October 1, 2014

Related CR Transmittal #: R2990CP

Implementation Date: October 6, 2014

October 2014 Quarterly Average Sales Price (ASP) Medicare Part B Drug Pricing Files and Revisions to Prior Quarterly Pricing Files

Provider Types Affected

This MLN Matters® Article is intended for physicians, other providers, and suppliers submitting claims to Medicare Administrative Contractors (MACs), including Home Health & Hospice MACs and Durable Medical Equipment MACs for services provided to Medicare beneficiaries.

Provider Action Needed

Change Request (CR) 8836 instructs MACs to download and implement the October 2014 ASP drug pricing files and, if released by the Centers for Medicare & Medicaid Services (CMS), the July 2014, April 2014, January 2014, and October 2013, ASP drug pricing files for Medicare Part B drugs. Medicare will use these files to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after October 6, 2014, with dates of service October 1, 2014, through December 31, 2014. MACs will not search and adjust claims that have already been processed unless brought to their attention. Make sure your billing staffs are aware of these changes.

Disclaimer

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Background

The Average Sales Price (ASP) methodology is based on quarterly data submitted to CMS by manufacturers. CMS will supply MACs with the ASP and Not Otherwise Classified (NOC) drug pricing files for Medicare Part B drugs on a quarterly basis. Payment allowance limits under the Outpatient Prospective Payment System (OPPS) are incorporated into the Outpatient Code Editor (OCE) through separate instructions that are in Chapter 4, section 50, of the "Medicare Claims Processing Manual" which is available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c04.pdf> on the CMS website. The following table shows how the quarterly payment files will be applied:

| Files | Effective Dates of Service |
|------------------------------|--|
| October 2014 ASP and ASP NOC | October 1, 2014, through December 31, 2014 |
| July 2014 ASP and ASP NOC | July 1, 2014, through September 30, 2014 |
| April 2014 ASP and ASP NOC | April 1, 2014, through June 30, 2014 |
| January 2014 ASP and ASP NOC | January 1, 2014, through March 31, 2014 |
| October 2013 ASP and ASP NOC | October 1, 2013, through December 31, 2013 |

Note: CMS requires physicians and other providers to bill using the appropriate HCPCS or Current Procedural Terminology (CPT) code and to accurately report the units of service. Physicians and other providers should ensure the units billed do not exceed the maximum number of units per day based on the code descriptor, reporting instructions associated with the code, and/or other CMS local or national policy, as noted at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Part-B-Drugs/McrPartBDrugAvgSalesPrice/index.html> on the CMS website.

Additional Information

The official instruction, CR 8836 issued to your MAC regarding this change is available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R2990CP.pdf> on the CMS website.

If you have any questions, please contact your MAC at their toll-free number, which is available 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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