

Related Change Request (CR) #: 3755

MLN Matters Number: MM3755

Related CR Release Date: April 8, 2005

Related CR Transmittal #: 521

Effective Date: May 9, 2005

Implementation Date: May 9, 2005

Billing for Hemophilia Blood Clotting Factors (Medicare Claims Processing Manual (Pub. 100-04), Chapter 17, Section 80.4)

Note: This article was revised to contain Web addresses that conform to the new CMS website and to show they are now MLN Matters articles. All other information remains the same.

Provider Types Affected

Physicians and providers billing Medicare carriers and intermediaries for blood clotting factors

Provider Action Needed



STOP – Physicians and providers should note that this instruction is based on information contained in Change Request (CR) 3755 which states that **blood clotting factors** not paid on a cost or prospective payment system basis are priced as a drug/biological under the drug pricing fee schedule effective for the specific date of service.



CAUTION –. Note: 1) Medicare carriers process claims from non-institutional providers for blood clotting factors, while 2) blood clotting factor claims from institutional (including claims from hospital-based hemophilia centers) are processed by Medicare Fiscal Intermediaries (FIs).



GO – Be sure billing staff is aware of this requirement.

Background

Blood clotting factors not paid on a cost or prospective payment system basis are priced as a drug/biological under the drug pricing fee schedule effective for the specific date of service. As of January 1, 2005, the ASP (average sales price) plus 6% is used.

Disclaimer

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If a beneficiary is in a covered Part A stay in a Prospective Payment System (PPS) hospital, the clotting factors are paid in addition to the DRG/HIPPS payment (For FY 2005, this payment is based on 95% of Average Wholesale Prices (AWP)). For a Skilled Nursing Facility (SNF) subject to SNF/PPS, the payment is bundled into the SNF/PPS rate.

For hospitals subject to the Outpatient Prospective Payment System (OPPS), the clotting factors, when paid under Part B, are paid based on an Ambulatory Payment Classification, or the APC. For SNFs, the clotting factors, when paid under Part B, are paid based on cost.

Additional Information

For complete details, please see the official instruction issued to your carrier/intermediary regarding this change. That instruction may be viewed at

<http://www.cms.hhs.gov/transmittals/downloads/R521CP.pdf> on the CMS website.

If you have any questions, please contact your carrier/intermediary at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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