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Information for Medicare Fee-For-Service Health Care Professionals

Related Change Request (CR) #: 3681

MLN Matters Number: MM3681

Related CR Release Date: March 4, 2005

Related CR Transmittal #: 18, 496

Effective Date: July 1, 2005

Implementation Date: July 5, 2005

Billing for Blood and Blood Products Under the Hospital Outpatient Prospective Payment System (OPPS)

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

Provider Types Affected

Providers billing Medicare Fiscal Intermediaries (FIs) for services paid under the OPPS

Provider Action Needed

This instruction provides information contained in Change Request (CR) 3681 which compiles and clarifies Medicare procedures and policies for the billing of blood and blood products in the hospital outpatient setting.

CR 3681 adds Section 231 to Chapter 4 of the Medicare Claims Processing Manual to address Medicare billing and payment for blood and blood products under the hospital outpatient prospective payment system (OPPS). **In particular, hospitals should note the portions of this instruction that inform them when to use new modifier BL when submitting claims for blood and blood products.**

Background

The Centers for Medicare & Medicaid Services (CMS) is clarifying Medicare coding, billing, and payment policies for blood and blood products under the OPPS and adding a new Section 231 to Chapter 4 of the Medicare Claims Processing Manual. The billing instructions in Section 231 address how OPPS providers are to bill for blood or blood products purchased from a community blood bank or how they are to bill when the OPPS provider runs its own blood bank and assesses a charge for the blood or blood product collected by its blood bank. Section 231 also describes policies on billing for autologous blood (including salvaged blood) and directed donor blood, a split unit of blood, irradiation of blood products, frozen and thawed blood and blood products, unused blood, transfusion services, and pheresis and apheresis services.

Effective for services furnished on or after July 1, 2005, for services paid under the OPPS (bill types 12X (Inpatient Part B Only) and 13X (Outpatient)) hospitals should report charges for blood and blood products

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in accordance with policies addressed in detail in the Medicare Claims Processing Manual, Chapter 4, Section 231, which is summarized as follows:

New Modifier and Billing Requirements When an OPPS Provider Purchases Blood or Blood Products from a Community Blood Bank or When an OPPS Provider Assesses a Charge for Blood or Blood Products Collected in its Own Blood Bank that Reflects More than Blood Processing and Storage

If an OPPS provider pays for the actual blood or blood product itself obtained from a community blood bank, or collects the blood or blood product in the OPPS provider’s own blood bank and also assesses a charge for the blood, in addition to paying for processing and storage costs, the OPPS provider must separate the charge for the unit(s) of blood or blood product(s) from the charge for processing and storage services. The OPPS provider reports charges for the blood or blood product itself using Revenue Code series 038X with the line item date of service (LIDOS), the number of units transfused, and the appropriate blood product HCPCS code and HCPCS modifier BL. The OPPS provider reports charges for processing and storage services on a separate line using Revenue Code 0390 or 0399 with the LIDOS, the number of units transfused, and the appropriate blood product HCPCS code and HCPCS modifier BL.

Whenever an OPPS provider reports a charge for blood or blood products using Revenue Code 038X, the OPPS provider must also report a charge for processing and storage services on a separate line using Revenue Code 0390 or 0399. Further, the same LIDOS, the same number of units, the same HCPCS code, and HCPCS modifier BL must be reported on both lines.

Effective for services furnished on or after July 1, 2005, the Outpatient Code Editor (OCE) will return to providers any claim that reports a charge for blood or blood products using Revenue Code 038X without a separate line for processing and storage services using Revenue Code 0390 or 0399. Moreover, in order to process to payment, both lines must report the same line item date of service, the same number of units, and the same HCPCS code accompanied by modifier BL.

Example

| Revenue Code | Description | HCPCS | Units | Date of Service | Charge |
|--------------|--------------------------|-------------------------|-------|-----------------|--------|
| 38X | Blood/Blood Product | P-Code with Modifier BL | 1 | 02/15/05 | \$ABC |
| 39X | Blood Processing/Storage | P-Code with Modifier BL | 1 | 02/15/05 | \$XYZ |

Applicability of the Medicare Blood Deductible

Units of whole blood or packed red cells for which only processing and storage charges are reported are not subject to the blood deductible. The Medicare blood deductible is applicable only if the OPPS provider purchases whole blood or packed red cells from a community blood bank or if the OPPS provider assesses a charge for blood collected in its own blood bank that reflects more than charges for blood processing and storage. If the beneficiary has not already fulfilled the annual blood deductible or replaced the blood, OPPS payment for the blood or blood product will be made for the processing and storage costs only. The beneficiary is liable for the blood portion of the payment as the blood deductible.

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Other Policies Related to Billing for Blood and Blood Products

Please refer to the Medicare Claims Processing Manual, Chapter 4, Section 231 for policies regarding billing for:

- Autologous Blood (Including Salvaged Blood) and Directed Donor Blood. Section 231.3;
- Split Unit of Blood. Section 231.4;
- Irradiation of Blood Products. Section 231.5;
- Frozen and Thawed Blood and Blood Products. Section 231.6;
- Unused Blood. Section 231.7;
- Transfusion Services. Section 231.8;
- Pheresis and Apheresis services. Section 231.9.

Section 231.10 addresses CCI edits.

Section 231.1 provides billing instructions when an OPPS provider does not purchase blood or blood products that it procures from a community blood bank, or when the OPPS provider does not assess a charge for blood collected in its own blood bank other than charges for blood processing and storage.

Correct Coding Initiative (CCI) Edits

Hospitals should be aware that certain CCI edits may apply when billing for blood and blood product services. Hospitals should consult the most current list of CCI edits to determine whether they apply to the services or HCPCS blood product codes being reported. A file with the most current list of CCI edits applicable to Medicare Part B services paid by FIs under the OPPS is available at <http://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/index.html> on the CMS website.

Additional Information

For complete details, please see the official instructions issued to your intermediary regarding this change. These instructions, which also include the new Section 231 of Chapter 4 of the Medicare Claims Processing Manual, may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R496CP.pdf> and <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R18GI.pdf> on the CMS website.

If you have any questions, please contact your 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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