



July 2021 Quarterly Average Sales Price (ASP) Medicare Part B Drug Pricing Files and Revisions to Prior Quarterly Pricing Files

MLN Matters Number: MM12244 **Revised**

Related Change Request (CR) Number: 12244

Related CR Release Date: **June 8, 2021**

Effective Date: July 1, 2021

Related CR Transmittal Number: **R10836CP**

Implementation Date: July 6, 2021

Note: We revised this article to reflect a revised CR 12244. The CR revision added language regarding [Section 405 of the Consolidated Appropriations Act, 2021](#). We added parts of that language in red font on page 2. We also revised the CR release date, transmittal number, and the web address of the CR. All other information is the same.

Provider Types Affected

This MLN Matters Article is for physicians, providers, and suppliers submitting claims to Medicare Administrative Contractors (MACs) for services they provide to Medicare patients.

Provider Action Needed

This article informs you about the ASP methodology, which is based on quarterly data manufacturers submit to CMS. CMS gives the MACs 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 in the Outpatient Code Editor (OCE) through separate instructions in [Chapter 4, Section 50](#) of the Medicare Claims Processing Manual. Please make sure your billing staffs are aware of these updates.

Background

This quarterly update addresses the following pricing files:

- File: July 2021 ASP and ASP NOC -- Effective Dates of Services: July 1, 2021 through September 30, 2021
- File: April 2021 ASP and ASP NOC -- Effective Dates of Services: April 1, 2021 through June 30, 2021
- File: January 2021 ASP and ASP NOC -- Effective Dates of Service: January 1, 2021 through March 31, 2021

- File: October 2020 ASP and ASP NOC -- Effective Dates of Service: October 1, 2020, through December 31, 2020
- File: July 2020 ASP and ASP NOC -- Effective Dates of Service: July 1, 2020 through September 30, 2020

[Section 405 of the Consolidated Appropriations Act, 2021](#) requires HHS' Office of the Inspector General (OIG) to conduct periodic studies on certain self-administered drugs or biologicals that we pay under the statutory payment limit, and permits us to apply a "lesser-of" methodology to the ASP calculation, if deemed appropriate. The Medicare payment amount for the drug or biological billing code would be the lesser of ("lesser of" methodology):

- The payment limit determined using the current ASP+6% methodology
- The ASP+6% amount obtained by excluding the self-administered products identified in an OIG study.

Section 405 also requires that beginning July 1, 2021, the ASP-based payment for billing codes that currently include certain self-administered products identified in a [July 2020 OIG report](#) adhere to the "lesser of" methodology. To meet the implementation date of July 1, 2021, as Section 405 requires, we will apply the lesser-of methodology to the payment limit calculations for billing and payment codes representing certolizumab pegol and abatacept (J0717 and J0129, respectively). We will include these changes in the July 2021 ASP Drug Pricing Files. We will include a notation of the lesser-of methodology in the July 2021 ASP NDC-HCPCS Crosswalk.

For any drug or biological that isn't listed in the ASP or NOC drug pricing files, your MAC will determine the payment allowance limits in accordance with the policy in the Medicare Claims Processing Manual, [Chapter 17, Section 20.1.3](#).

For any drug or biological that isn't listed in the ASP or NOC drug pricing files that you bill with the KD modifier, your MAC will determine the payment allowance limits in accordance with instructions for pricing and payment changes for infusion drugs furnished through an item of durable medical equipment on or after January 1, 2017, associated with the passage of the [21st Century Cures Act](#).

MACs won't search and adjust claims that have already been processed unless you bring those claims to their attention.

More Information

We issued [CR 12244](#) to your MAC as the official instruction for this change.

For more information, contact your [MAC](#).

Document History

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June 8, 2021	We revised this article to reflect a revised CR 12244. The CR revision added language regarding Section 405 of the Consolidated Appropriations Act, 2021 . We added parts of that language in red font on page 2. We also revised the CR release date, transmittal number, and the web address of the CR. All other information is the same.
April 27, 2021	Initial article released.

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