

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



News Flash –

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- [“Medicare Claim Review Programs: MR, NCCI Edits, MUEs, CERT, and RAC,”](#) Booklet, ICN 006973, Downloadable only.

MLN Matters® Number: MM8132 **Revised**

Related Change Request (CR) #: CR 8132

Related CR Release Date: January 9, 2013

Effective Date: January 1, 2013

Related CR Transmittal #: R2630CP

Implementation Date: January 7, 2013

Calendar Year (CY) 2013 Annual Update for Clinical Laboratory Fee Schedule and Laboratory Services Subject to Reasonable Charge Payment

Note: This article was revised on January 10, 2013, to reflect a revised CR8132 issued on January 9. In the article, the CR release date, transmittal number, and Web address for accessing the CR were revised. All other information remains the same.

Provider Types Affected

This MLN Matters® Article is intended for clinical diagnostic laboratories billing Medicare Carriers, Fiscal Intermediaries (FIs), or Part A/B Medicare Administrative Contractors (A/B MACs) for services provided to Medicare beneficiaries.

What You Need to Know

The Centers for Medicare & Medicaid Services (CMS) issued Change Request (CR) 8132 which provides instructions to Medicare contractors for the Calendar Year (CY) 2013 Clinical Laboratory Fee

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Schedule, mapping for new codes for clinical laboratory tests, and updates for laboratory costs subject to the reasonable charge payment. Be sure your billing staffs are aware of these updates.

Background

In accordance with Section 1833(h)(2)(A)(i) of the Social Security Act (the Act), as amended by Section 628 of the Medicare Prescription Drug, Improvement and Modernization Act (MMA) of 2003, and further amended by Section 3401 of the Patient Protection and Affordable Care Act (ACA) of 2010 and the Middle Class Tax Relief and Job Creation Act of 2012, the annual update to the local clinical laboratory fees for CY 2013 is -2.95 percent. The annual update to local clinical laboratory fees for CY 2013 reflects the Consumer Price Index for Urban Areas (CPI-U) of 1.70 percent less a multi-factor productivity adjustment of 0.9 percentage points and a -1.75 percentage point reduction as described by the ACA legislation, plus a -2.0 percentage point reduction as described by the MCTRJCA. The annual update to payments made on a reasonable charge basis for all other laboratory services for CY 2013 is 1.7 percent (See 42 CFR 405.509(b)(1)). Section 1833(a)(1)(D) of the Act provides that payment for a clinical laboratory test is the lesser of the actual charge billed for the test, the local fee, or the national limitation amount (NLA).

For a cervical or vaginal smear test (pap smear), Section 1833(h)(7) of the Act requires payment to be the lesser of the local fee or the NLA, but not less than a national minimum payment amount (described below). However, for a cervical or vaginal smear test (pap smear), payment may also not exceed the actual charge. The Part B deductible and coinsurance do not apply for services paid under the clinical laboratory fee schedule.

Key Points of CR8132

National Minimum Payment Amounts

For a cervical or vaginal smear test (pap smear), Section 1833(h)(7) of the Act requires payment to be the lesser of the local fee or the NLA, but not less than a national minimum payment amount. Also, payment may not exceed the actual charge. The CY 2013 national minimum payment amount is \$14.53 (\$14.97 plus (-2.95) percent update for CY 2013). The affected codes for the national minimum payment amount are shown in the following table:

88142	88143	88147	88148	88150
88152	88153	88154	88164	88165
88166	88167	88174	88175	G0123
G0143	G0144	G0145	G0147	G0148
P3000				

National Limitation Amounts (Maximum)

For tests for which NLAs were established before January 1, 2001, the NLA is 74 percent of the median of the local fees. For tests for which the NLAs are first established on or after January 1, 2001,

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the NLA is 100 percent of the median of the local fees in accordance with Section 1833(h)(4)(B)(viii) of the Act.

Access to Data File

Internet access to the CY 2013 clinical laboratory fee schedule data file will be available after November 21, 2012, at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/index.html> on the CMS website. Other interested parties, such as the Medicaid State agencies, the Indian Health Service, the United Mine Workers, and the Railroad Retirement Board, may use the Internet to retrieve the CY 2013 clinical laboratory fee schedule. It will be available in multiple formats: Excel, text, and comma delimited.

Public Comments

On July 16, 2012, CMS hosted a public meeting to solicit input on the payment relationship between CY 2012 codes and new CY 2013 CPT codes. Notice of the meeting was published in the Federal Register on May 29, 2012, and on the CMS web site approximately June 15, 2012. Recommendations were received from many attendees, including individuals representing laboratories, manufacturers, and medical societies. CMS posted a summary of the meeting and the tentative payment determinations site at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/index.html> on the CMS website. Additional written comments from the public were accepted until September 28, 2012. CMS has posted a summary of the public comments and the rationale for the final payment determinations on the CMS website.

Pricing Information

The CY 2013 clinical laboratory fee schedule includes separately payable fees for certain specimen collection methods (codes 36415, P9612, and P9615). The fees have been established in accordance with Section 1833(h)(4)(B) of the Act.

The fees for clinical laboratory travel codes P9603 and P9604 are updated on an annual basis. The clinical laboratory travel codes are billable only for traveling to perform a specimen collection for either a nursing home or homebound patient. If there is a revision to the standard mileage rate for CY 2013, CMS will issue a separate instruction on the clinical laboratory travel fees.

The CY 2013 clinical laboratory fee schedule also includes codes that have a "QW" modifier to both identify codes and determine payment for tests performed by a laboratory having only a certificate of waiver under the Clinical Laboratory Improvement Amendments (CLIA).

Organ or Disease Oriented Panel Codes

As in prior years, the CY 2013 pricing amounts for certain organ or disease panel codes and evocative/suppression test codes were derived by summing the lower of the clinical laboratory fee schedule amount or the NLA for each individual test code included in the panel code. The NLA field on the data file is zero-filled.

Mapping Information

New code 86386QW is priced at the same rate as code 86386, effective January 1, 2012.

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New code 83861QW is priced at the same rate as code 83861, effective July 1, 2012.

New code 86803QW is priced at the same rate as code 86803.

The following table lists New Codes to be gap filled:

81201	81202	81203	81235	81252	81253	81254	81321	81322	81323	81324	81325
81326	81200	81205	81206	81207	81208	81209	81210	81211	81212	81213	81214
81215	81216	81217	81220	81221	81222	81223	81224	81225	81226	81227	81228
81229	81240	81241	81242	81243	81244	81245	81250	81251	81255	81256	81257
81260	81261	81262	81263	81264	81265	81266	81267	81268	81270	81275	81280
81281	81282	81290	81291	81292	81293	81294	81295	81296	81297	81298	81299
81300	81301	81302	81303	81304	81310	81315	81316	81317	81318	81319	81330
81331	81332	81340	81341	81342	81350	81355	81370	81371	81372	81373	81374
81375	81376	81377	81378	81379	81380	81381	81382	81383	81400	81401	81402
81403	81404	81405	81406	81407	81408	86152					

The following table lists existing codes that are deleted:

83890	83891	83892	83893	83894	83896	83897	83898	83900	83901	83902
83903	83904	83905	83906	83907	83908	83909	83912	83913	83914	

New code 82777 is priced at the same rate as code 83520.

New code 86711 is priced at the same rate as code 86789.

New code 86828 is priced at the same rate as code 86807.

New code 86829 is priced at the same rate as code 86808.

New code 86830 is priced at 7 times the rate of code 83516.

New code 86831 is priced at 6 times the rate of code 83516.

New code 86832 is priced at 11 times the rate of code 83516.

New code 86833 is priced at 10 times the rate of code 83516.

New code 86834 is priced at 31 times the rate of code 83516.

New code 86835 is priced at 28 times the rate of code 83516.

New code 87631 is priced at the same rate as code 87502 plus 2 times the rate of code 87503.

New code 87632 is priced at the same rate as code 87502 plus 6 times the rate of code 87503.

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New code 87633 is priced at the same rate as code 87502 plus 16 times the rate of code 87503.

New code 87910 is priced at the same rate as code 87902.

New code 87912 is priced at the same rate as code 87902.

Laboratory Costs Subject to Reasonable Charge Payment in CY 2011

For outpatients, the following codes are paid under a reasonable charge basis. The reasonable charge may not exceed the lowest of the actual charge or the customary or prevailing charge for the previous 12-month period ending June 30, updated by the inflation-indexed update. The inflation-indexed update is calculated using the change in the applicable Consumer Price Index for the 12-month period ending June 30 of each year as set forth in 42 CFR 405.509(b)(1). The inflation-indexed update for CY 2013 is 1.7 percent.

Manual instructions for determining the reasonable charge payment can be found in the "Medicare Claims Processing Manual," Chapter 23, Sections 80 through 80.8. If there is sufficient charge data for a code, the instructions permit considering charges for other similar services and price lists. Note: The Medicare manuals noted in this article are available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/index.html> on the CMS website.

When services described by the Healthcare Common Procedure Coding System (HCPCS) in the following list are performed for independent dialysis facility patients, "Medicare Claims Processing Manual," Chapter 8, Section 60.3, instructs that the reasonable charge basis applies. However, when these services are performed for hospital-based renal dialysis facility patients, payment is made on a reasonable cost basis. Also, when these services are performed for hospital outpatients, payment is made under the hospital Outpatient Prospective Payment System (OPPS).

Blood Product Codes

These blood codes are:

P9010	P9011	P9012	P9016	P9017	P9019
P9020	P9021	P9022	P9023	P9031	P9032
P9033	P9034	P9035	P9036	P9037	P9038
P9039	P9040	P9044	P9050	P9051	P9052
P9053	P9054	P9055	P9056	P9057	P9058
P9059	P9060				

Also, payment for the following codes are applied to the blood deductible as instructed in the "Medicare General Information, Eligibility and Entitlement Manual", Chapter 3, Sections 20.5 through 20.5.4:

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P9010	P9016	P9021	P9022	P9038	P9039
P9040	P9051	P9054	P9056	P9057	P9058

Note: Biologic products not paid on a cost or prospective payment basis are paid based on Section 1842(o) of the Act. The payment limits based on Section 1842(o), including the payment limits for codes P9041, P9043, P9045, P9046, P9047, and P9048, should be obtained from the Medicare Part B drug pricing files.

Transfusion Medicine Costs:

These codes are:

86850	86860	86870	86880	86885	86886
86890	86891	86900	86901	86902	86904
86905	86906	86920	86921	86922	86923
86927	86930	86931	86932	86945	86950
86960	86965	86970	86971	86972	86975
86976	86977	86978	86985		

Reproductive Medicine Procedure Codes:

These codes are:

89250	89251	89253	89254	89255	89257
89258	89259	89260	89261	89264	89268
89272	89280	89281	89290	89291	89335
89342	89343	89344	89346	89352	89353
89354	89356				

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Additional Information

You can find the official instruction, CR8132, issued to your FI, carrier, or A/B MAC by visiting <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R2630CP.pdf> on the CMS website.

If you have any questions, please contact your FI, carrier, or A/B MAC at their toll-free number, which may be found at <http://www.cms.hhs.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

News Flash - Diabetes and the Seasonal Flu - November is National Diabetes Awareness Month. Diabetes can weaken the immune system, which can put seniors and others with diabetes at greater risk for flu-related complications like pneumonia. Medicare provides coverage for one seasonal influenza virus vaccine per influenza season for all Medicare beneficiaries. Medicare generally provides coverage of the pneumococcal vaccination and its administration once in a lifetime for all Medicare beneficiaries. Medicare may provide coverage of additional pneumococcal vaccinations based on risk or uncertainty of beneficiary pneumococcal vaccination status. Medicare provides coverage for the seasonal flu and pneumococcal vaccines and their administration for seniors and others with Medicare with no co-pay or deductible. And remember, seasonal flu vaccine is particularly important for health care workers, who may spread the flu to their patients. Don't forget to immunize yourself and your staff. Protect your patients. Protect your family. Protect yourself. *Know what to do about the flu.*

Remember – The influenza vaccine plus its administration and the pneumococcal vaccine plus its administration are covered Part B benefits. The influenza vaccine and pneumococcal vaccine are NOT Part D-covered drugs. CMS has posted the 2012-2013 [Seasonal Influenza Vaccines Pricing on the CMS website](#). You may also refer to the [MLN Matters® Article #MM8047](#), "Influenza Vaccine Payment Allowances - Annual Update for 2012-2013 Season."

For more information on coverage and billing of the flu vaccine and its administration, please visit the [CMS Medicare Learning Network® Preventive Services Educational Products](#) and [CMS Immunizations](#) web pages. And, while some providers may offer the flu vaccine, others can help their patients locate a vaccine provider within their local community. [HealthMap Vaccine Finder](#) is a free, online service where users can search for locations offering flu vaccines.

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