CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2630	**Date: January 9, 2013**
	Change Request 8132

Transmittal 2612, dated December 14, 2012, is being rescinded and replaced by Transmittal 2630, dated January 09, 2013, to change the file names in Business Requirements 8132.1 and 8132.2. All other information remains the same.

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

I. SUMMARY OF CHANGES: This Recurring Update Notification (RUN) provides instructions for the CY 2013 clinical laboratory fee schedule, mapping for new codes for clinical laboratory tests, and updates for laboratory costs subject to the reasonable charge payment. The information related to this RUN is found in Chapter 16, Section 20.2, of Publication 100-04.

EFFECTIVE DATE: January 1, 2013
IMPLEMENTATION DATE: January 7, 2013

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)
R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	

III. FUNDING:
For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs):
No additional funding will be provided by CMS; Contractors activities are to be carried out with their operating budgets

For Medicare Administrative Contractors (MACs):
The Medicare Administrative contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC statement of Work. The contractor is not obliged to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:
Recurring Update Notification
**Unless otherwise specified, the effective date is the date of service.*

Attachment - Recurring Update Notification

Pub. 100-04	Transmittal: 2630	Date: January 9, 2013	Change Request: 8132

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

EFFECTIVE DATE: January 1, 2013
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I. GENERAL INFORMATION

A. Background: This Recurring Update Notification (RUN) provides instructions for the CY 2013 clinical laboratory fee schedule, mapping for new codes for clinical laboratory tests, and updates for laboratory costs subject to the reasonable charge payment.

B. Policy: Update to Fees

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.

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

The CY 2013 clinical laboratory fee schedule data file shall be retrieved electronically through CMS' mainframe telecommunications system. Carriers shall retrieve the data file on or after November 14, 2012. Intermediaries shall retrieve the data file on or after November 21, 2012. Internet access to the CY 2013 clinical laboratory fee schedule data file shall be available after November 21, 2012, at http://www.cms.hhs.gov/ClinicalLabFeeSched. Other interested parties, such as the Medicaid State agencies, the Indian Health Service, the United Mine Workers, and the Railroad Retirement Board, shall use the Internet to retrieve the CY 2013 clinical laboratory fee schedule. It will be available in multiple formats: Excel, text, and comma delimited.

Data File Format

For each test code, if your system retains only the pricing amount, load the data from the field named "60% Pricing Amt." For each test code, if your system has been developed to retain the local fee and the NLA, you may load the data from the fields named "60% Local Fee Amt" and "60% Natl Limit Amt" to determine payment. For test codes for cervical or vaginal smears (pap smears), you should load the data from the field named "60% Pricing Amt" which reflects the lower of the local fee or the NLA, but not less than the national minimum payment amount. Fiscal intermediaries should use the field "62% Pricing Amt" for payment to qualified laboratories of sole community hospitals.

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 Registeron 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 on the web site at http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/index.html. 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 web site.

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

Similar to 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.

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.

New code 81201 is to be gap filled.

New code 81202 is to be gap filled.

New code 81203 is to be gap filled.

New code 81235 is to be gap filled.

New code 81252 is to be gap filled.

New code 81253 is to be gap filled.

New code 81254 is to be gap filled.

New code 81321 is to be gap filled.

New code 81322 is to be gap filled.

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New code 81324 is to be gap filled.

New code 81325 is to be gap filled.

New code 81326 is to be gap filled.

New code 81200 is to be gap filled.

New code 81205 is to be gap filled.

New code 81206 is to be gap filled.

New code 81207 is to be gap filled.

New code 81208 is to be gap filled.

New code 81209 is to be gap filled.

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New code 81217 is to be gap filled.

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New code 81241 is to be gap filled.

New code 81242 is to be gap filled.

New code 81243 is to be gap filled.

New code 81244 is to be gap filled.

New code 81245 is to be gap filled.

New code 81250 is to be gap filled.

New code 81251 is to be gap filled.

New code 81255 is to be gap filled.

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New code 81260 is to be gap filled.

New code 81261 is to be gap filled.

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New code 81268 is to be gap filled.

New code 81270 is to be gap filled.

New code 81275 is to be gap filled.

New code 81280 is to be gap filled.

New code 81281 is to be gap filled.

New code 81282 is to be gap filled.

New code 81290 is to be gap filled.

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New code 81299 is to be gap filled.

New code 81300 is to be gap filled.

New code 81301 is to be gap filled.

New code 81302 is to be gap filled.

New code 81303 is to be gap filled.

New code 81304 is to be gap filled.

New code 81310 is to be gap filled.

New code 81315 is to be gap filled.

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New code 81341 is to be gap filled.

New code 81342 is to be gap filled.

New code 81350 is to be gap filled.

New code 81355 is to be gap filled.

New code 81370 is to be gap filled.

New code 81371 is to be gap filled.

New code 81372 is to be gap filled.

New code 81373 is to be gap filled.

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New code 81381 is to be gap filled.

New code 81382 is to be gap filled.

New code 81383 is to be gap filled.

New code 81400 is to be gap filled.

New code 81401 is to be gap filled.

New code 81402 is to be gap filled.

New code 81403 is to be gap filled.

New code 81404 is to be gap filled.

New code 81405 is to be gap filled.

New code 81406 is to be gap filled.

New code 81407 is to be gap filled.

New code 81408 is to be gap filled.

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

Existing code 83890 is deleted.

Existing code 83891 is deleted.

Existing code 83892 is deleted.

Existing code 83893 is deleted.

Existing code 83894 is deleted.

Existing code 83896 is deleted.

Existing code 83897 is deleted.

Existing code 83898 is deleted.

Existing code 83900 is deleted.

Existing code 83901 is deleted.

Existing code 83902 is deleted.

Existing code 83903 is deleted.

Existing code 83904 is deleted.

Existing code 83905 is deleted.

Existing code 83906 is deleted.

Existing code 83907 is deleted.

Existing code 83908 is deleted.

Existing code 83909 is deleted.

Existing code 83912 is deleted.

Existing code 83913 is deleted.

Existing code 83914 is deleted.

New code 86152 is to be gap filled.

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.

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 2013

For outpatients, the following codes are paid under a reasonable charge basis (See Section 1842(b)(3) of the Act). In accordance with 42 CFR 405.502 through 42 CFR 405.508, 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 Publication 100-4, Medicare Claims Processing Manual, Chapter 23, Section 80 through 80.8. If there is insufficient charge

data for a code, the instructions permit considering charges for other similar services and price lists.

When services described by the Healthcare Common Procedure Coding System (HCPCS) in the following list are performed for independent dialysis facility patients, Publication 100-04, 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 Products

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 should be applied to the blood deductible as instructed in Publication 100-01, Medicare General Information, Eligibility and Entitlement Manual, Chapter 3, Section 20.5 through 20.5.4:

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

86850

86860

86870

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86885

86886

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86905

86906

86920

86921

86922

86923

86927

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86932

86945

86950

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86970

86971

86972

86975

86976

86977

86978

86985

Reproductive Medicine Procedures

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89251

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II. BUSINESS REQUIREMENTS TABLE

Use "Shall" to denote a mandatory requirement.

Number	Requirement	Responsibility										
		A/B MAC		DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
		Part A	Part B					FISS	MCS	VMS	CWF	
8132.1	Carriers shall retrieve the CY 2013 Clinical Laboratory Fee Schedule data file (filename: MU00.@BF12394.CLAB.CY13.V1119B) from the CMS mainframe on or after November 14, 2012.		X			X						
8132.1.1	Carriers shall notify CMS of successful receipt via e-mail to price_file_receipt@cms.hhs.gov stating the name of the file received and the entity for which it was received (e.g., carrier name and number).		X			X						
8132.2	Contractors shall retrieve the CY 2013 Clinical Laboratory Fee Schedule data file (filename: MU00.@BF12394.CLAB.CY13.V1119B.FI) from the CMS mainframe on or after November 21, 2012.	X										The EDCs do the file loads.
8132.2.1	Contractors shall notify CMS of successful receipt via e-mail to price_file_receipt@cms.hhs.gov stating the name of the file received and the entity for which it was received (e.g., fiscal intermediary name and number).	X										The EDCs do the file loads.
8132.3	Contractors shall manually include Code 86386QW in the Clinical Laboratory Fee Schedule (CLFS) beginning January 1, 2012.		X			X						
8132.3.1	Contractors shall manually include Code 83861QW in		X			X						

Number	Requirement	Responsibility										
		A/B MAC		DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
		Part A	Part B					FISS	MCS	VMS	CWF	
	the Clinical Laboratory Fee Schedule (CLFS) beginning July 1, 2012.											
8132.4	Contractors shall not search their files to either retract payment or retroactively pay claims; however, contractors should adjust claims if they are brought to their attention.	X	X		X	X						
8132.5	Carriers shall determine the reasonable charge for the codes identified as paid under the reasonable charge basis.		X			X						
8132.6	Carriers shall determine customary and prevailing charges by using data from July 1, 2011 through June 30, 2012, updated by the inflation-index update for year CY 2013 of 1.7 percent.		X			X						
8132.7	Contractors shall determine payment on a reasonable cost basis when these services are performed for hospital-based renal dialysis facility patients.	X			X							
8132.8	If there is a revision to the standard mileage rate for CY 2013, CMS shall issue a separate instruction on the clinical laboratory travel fees.											CMS will notify contractors of any revisions to the standard mileage rate.

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility

		A/B MAC		DME MAC	FI	CARRIER	RHHI	Other
		Part A	Part B					
8132.9	MLN Article : A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X	X		X	X		

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A
Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Glenn McGuirk, 410-786-5723 or Glenn.McGuirk@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR) or Contractor Manager, as applicable.

VI. FUNDING

Section A: For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs):
No additional funding will be provided by CMS; Contractors activities are to be carried out with their operating budgets

Section B: For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS do not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question

and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.