Clinical Laboratory Fee Schedule: 2025 Annual Update

Related CR Release Date: December 13, 2024	MLN Matters Number: MM13889
Effective Date: January 1, 2025	Related Change Request (CR) Number: <u>CR 13889</u>
Implementation Date: January 6, 2025	Related CR Transmittal Number: R12992CP
Related CR Title: Calendar Year (CY) 2025 Annual Update for Clinical Laboratory Fee Schedule and Laboratory Services Subject to Reasonable Charge Payment	

Affected Providers

- Laboratories
- Other providers billing Medicare Administrative Contractors (MACs) for laboratory services they
 provide to Medicare patients

Action Needed

Make sure your billing staff knows about changes and instructions effective January 1, 2025:

- Delay in Clinical Laboratory Fee Schedule (CLFS) data reporting period and the phase-in of payment reductions
- Mapping for new test codes
- Updates for tests subject to the reasonable charge payment

Background

Next CLFS Data Reporting Period for Clinical Diagnostic Laboratory Tests (CDLTs) – Delayed

Under the <u>CLFS final rule</u>, reporting entities must give CMS certain private payor rate information for their component applicable laboratories.

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On September 26, 2024, Congress passed section 221 of the <u>Continuing Appropriations and Extensions Act, 2025</u>, which delayed data reporting requirements for CDLTs that aren't advanced diagnostic laboratory tests (ADLTs), and it also delayed the phase-in of payment reductions under the CLFS from private payor rate implementation. The changes include:

- The next data reporting period of January 1, 2026–March 31, 2026, is based on the original data collection period of January 1, 2019–June 30, 2019. After the next data reporting period, there's a 3-year data reporting cycle for CDLTs that aren't ADLTs (for example: 2029, 2032).
- We'll apply a 0% payment reduction for CY 2025 so that a CDLT that isn't an ADLT won't be reduced compared to the payment amount for that test in CY 2024. For CYs 2026–2028, we won't reduce payment by more than 15% per year compared to the payment amount established for a test the preceding year.

ADLTs

See the CMS ADLT website for more information about these tests.

CLFS Update to Fees

- For a pap smear test, section 1833(h)(7) of the <u>Social Security Act</u> (the Act) requires payment to be the lesser of the local fee or that national limitation amount, but not less than a national minimum payment amount. Payment for pap smear tests may not exceed the actual charge. The CY 2025 national minimum payment amount is \$18.19. This value is the CY 2024 national minimum payment amount with a 2.4% increase or \$17.76 times 1.024.
- The affected codes for the national minimum payment amount are: 88142, 88143, 88147, 88148, 88150, 88152, 88153, 88164, 88165, 88166, 88167, 88174, 88175, G0123, G0143, G0144, G0145, G0147, G0148, Q0111, Q0115, and P3000.
- The annual update to payments made on a reasonable charge basis for all other laboratory services is the Consumer Price Index-Update (CPI-U), which is 2.4% for CY 2025, per 42 CFR 405.509(b)(1).

The Part B deductible and coinsurance don't apply for services paid under the CLFS.

Access to Data File

The <u>CY 2025 CLFS</u> data file will be available after January 1, 2025, in multiple formats, including Excel, text, and comma delimited.

Public Comments and Final Payment Determinations

On June 25, 2024, we hosted a public meeting to solicit comments on the reconsidered code from CY 2024 codes and new CY 2025 CPT codes. A <u>summary</u> of the meeting and the tentative payment determinations is available.

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Pricing Information

The CY 2025 CLFS includes separately payable fees for certain specimen collection methods (codes 36415, P9612, P9615, and G0471). We establish the fees based on section 1833(h)(4)(B) of the Act.

We update the fees for clinical laboratory travel codes P9603 and P9604 annually. 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's a revision to the standard mileage rate for CY 2025, we'll issue separate instructions on the clinical laboratory travel fees.

The CY 2025 CLFS may also include codes that have a QW modifier to both identify codes and determine payment for tests performed by a laboratory having only a CLIA certificate of waiver.

Mapping Information

Tab A of the table attached to CR 13889 lists the mapping information for codes.

Laboratory Tests Subject to Reasonable Charge Payment in CY 2025

We pay hospital outpatient claims on a reasonable charge basis per section 1842(b)(3) of the Act. The reasonable charge can't 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 CPI-U for CY 2025 is 3.0%.

Services described by HCPCS codes in the following lists are for independent dialysis facility patients. However, when you perform these services for hospital-based renal dialysis facility patients, we pay on a reasonable cost basis. Also, when you perform these services for hospital outpatients, we make payment under the hospital Outpatient Prospective Payment System.

Blood Products, Transfusion Medicine, and Reproductive Medicine Procedures

Tab B of the <u>table</u> attached to CR 13889 lists the codes in these categories subject reasonable charge payment in CY 2025.

New Codes – Proprietary Laboratory Analysis (PLAs)

Tab C of the table attached to CR 13889 lists the new codes effective January 1, 2025.

We added these new codes to the national HCPCS file with an effective date of January 1, 2025. These new codes are MAC-priced (where applicable) until they're nationally priced. MACs will only price PLA codes for laboratories within their jurisdiction.

Deleted Codes

Tab D of the table attached to CR 13889 lists the codes deleted effective January 1, 2025.

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More Information

We issued CR 13889 to your MAC as the official instruction for this change. For more information, find your MAC's website.

Document History

Date of Change	Description
December 16, 2024	Initial article released.

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