

# Program Memorandum Intermediaries/Carriers

Department of Health and  
Human Services (DHHS)  
HEALTH CARE FINANCING  
ADMINISTRATION (HCFA)

Transmittal AB-01-42

Date: MARCH 14, 2001

## CHANGE REQUEST 1574

**SUBJECT: Changes to 2001 Clinical Laboratory Fee Schedule Required by the Benefits Improvement and Protection Act (BIPA) of 2000**

This program memorandum (PM) provides instructions for a reissuance of the calendar year (CY) 2001 clinical laboratory fee schedule to implement changes as required by §531 of the BIPA 2000 which was enacted on December 21, 2000. This PM incorporates and supplements material previously issued in two prior PMs, AB-00-109, Change Request (CR) 1377, dated November 29, 2000 and AB-00-134, CR 1479, dated December 29, 2000. Fee changes are effective for services performed on or after January 1, 2001. However, you should not retract payment or retroactively pay claims dated prior to the effective date of this PM to incorporate the fee changes.

### Update to Fees

In accordance with §4553 of the Balanced Budget Act of 1997 (which amended §1833(h)(4)(B) of the Social Security Act), there is no annual update (economic index) to the local laboratory fees for 2001.

### National Minimum Payment Amounts

A national minimum payment amount of \$14.60 applies to codes for cervical or vaginal smear tests in accordance with §224 of the Balanced Budget Refinement Act (BBRA) enacted November 29, 1999. The update to the fees apply to the national minimum payment amount; however, there is no annual update (economic index) to the local laboratory fees for 2001. The affected Current Procedural Terminology (CPT) codes for the national minimum payment amount are 88142, 88143, 88144, 88145, 88147, 88148, 88150, 88152, 88153, 88154, 88164, 88165, 88166, 88167, G0123, G0143, G 0144, G0145, G0147, G0148 and P3000.

### National Limitation Amounts (Maximum)

The national limitation amount (NLA) calculation for 2001 remains at 74 percent of the median of the local fees for tests for which NLAs were established before January 1, 2001.

Newly enacted §531(a) of BIPA states:

Section 1833(h)(4)(B)(viii) is amended by inserting before the period at the end of the following: "(or 100 percent of such median in the case of a clinical diagnostic laboratory test performed on or after January 1, 2001, that the Secretary determines is a new test for which no limitation amount has previously been established under this subparagraph)".

Therefore, the delay in the establishment of the NLA for cervical or vaginal smear tests discussed in PM AB-00-109, CR 1377, page 3, will be discontinued. The revised 2001 clinical laboratory fee schedule data file will also contain local fees and NLAs for twelve CPT codes which did not have a NLA established before January 1, 2001. The NLA calculation for these codes is 100 percent of the median of the local fees. The codes are 88142, 88143, 88144, 88145, 88147, 88148, G0123, G0143, G 0144, G0145, G0147, and G0148.

### Gap-fill Codes

Codes for which carriers should continue to determine a gap-fill fee are the following 82962, 86294, and 87338 and they are listed in revised Attachment B. The gap-fill fees continue to be necessary for these codes in order to allow Medicare carriers to continue to assess and base fees on the best available data nationwide for these codes. As instructed in PM AB-00-109, CR 1377, dated November 29, 2000, carriers may gap-fill on a flow basis as claims are received for these unpriced codes. However, the codes should have gap-fill fees established by the carrier by March 31, 2001 and be communicated to corresponding intermediaries as necessary. The carrier should consider the charge for the test in their area as well as the cost of performing the test in a laboratory with adequate volume to ensure cost efficiencies. Carriers are to provide their RO with the gap-fill fees by May 4, 2001. These data are needed for the development of the 2002 clinical diagnostic laboratory fee schedule. Attachment C depicts the record layout for the submittal of the 2001 gap-fill fees to the ROs.

### Data File Format

Attachment A depicts the record layout of the reissued 2001 clinical laboratory fee schedule data file. If your system retains only the pricing amounts (lower of the local fees or the NLAs), load the data from the field named '60% Pricing Amt'. If your system retains both the local fees and the NLAs, load the data from the fields named '60% Local Fee Amt' and '60% Natl Limit Amt' in order to determine the lowest price. The fields named '62% Pricing Amt', '62% Local Fee Amt' and '62% Natl Limit Amt' should be used by intermediaries to price laboratory claims for a sole community hospital's qualified laboratory.

### Access to Data File and Program Memoranda

HCFA electronically issued the revised CY 2001 clinical laboratory fee schedule data file by via the software package for mainframe-to-mainframe communications, formerly referred to as the National Data Mover the week of March 5, 2001. Attachment A provides the filename and record layout for carriers. Intermediaries and the Railroad Retirement Board should retrieve the revised 2001 clinical laboratory fee schedule under the filename MU00.@BF12394.CLAB2001.QT2.V0308.FIRHHI

Notification of revised payment amounts should be included in your next bulletins.

Internet access to the reissued 2001 clinical laboratory fee schedule data file should be available after March 26, 2001, at the web site <http://www.hcfa.gov/stats/pufiles.htm> under the heading "Payment Rates--Non-Institutional Providers." Medicaid State Agencies, the Indian Health Service and the United Mine Workers should use the Internet to obtain the revised CY 2001 clinical laboratory fee schedule. Other interested parties can also download the file which will be available in multiple formats: Excel, text, and comma delimited. The web site <http://www.hcfa.gov/pubforms/transmit/memos/> provides efficient access to PMs.

### Laboratory Costs Subject to Reasonable Charge Payment Methodology in 2001

PM AB-00-109, CR 1377, dated November 29, 2000, remains unchanged for laboratory costs subject to reasonable charge payment methodology.

***The effective date for this PM is April 1, 2001.***

***The implementation date for this PM is April 1, 2001.***

**These instructions should be implemented within your current operating budget.**

**For questions regarding this document, contact Anita Greenberg on (410) 786-4601.**

**This PM may be discarded after December 31, 2001.**

**Attachments 3**

ATTACHMENT A

RECORD LAYOUT FOR FILE

2001 CLINICAL DIAGNOSTIC LABORATORY FEE SCHEDULE  
 DATA FILE NAMES MU00.@AAA2394.CLAB2001.QT2.V0308

<u>FIELD NAME</u>	<u>PICTURE</u>	<u>START/ END POSITION</u>	<u>COMMENT</u>
HCPCS CODE	X(5)	1-5	
CARRIER NUMBER	X(5)	6-10	
LOCALITY	X(2)	11-12	00-- Denotes Single State Carrier 01--North Dakota 02--South Dakota 20--Puerto Rico
60% LOCAL FEE AMT	9(5)V99	13-19	
62% LOCAL FEE AMT	9(5)V99	20-26	
60% NATL LIMIT AMT	9(5)V99	27-33	
62% NATL LIMIT AMT	9(5)V99	34-40	
60% PRICING AMT	9(5)V99	41-47	
62% PRICING AMT	9(5)V99	48-54	
GAP FILL INDICATOR	X(1)	55-55	0--No Gap Fill Required 1--Carrier Gap Fill 60% 2-- Special Instructions Apply
MODIFIER	X(2)	56-57	Where modifier is shown, QW denotes a CLIA waiver test.
FILLER	X(3)	58-60	

## ATTACHMENT B

### I. New Codes

80157	86683	87283
80173	86696	87300
82373	86757	87327
82945	87046	87336
83090	87071	87337
83663	87073	87339
83664	87077	87341
83921	87107	87400
84152	87149	87427
84591	87152	87451
85307	87168	87800
85536	87169	87801
86001	87172	87901
86146	87185	87903
86294	87254	87904
86300	87273	88400
86301	87275	89321
86304	87277	
86611	87279	
86666	87281	

### II. Deleted Codes

82251  
87060  
87072  
87082  
87083  
87085  
87087  
87117  
87151  
87155  
87163  
87174  
87175  
87192  
87208  
87211  
88291  
P9013  
P9018

### III. Codes That Require Gap-Fill Fees

82962  
86294  
87338

## ATTACHMENT C

### PROCESS FOR SUBMITTING 2001 GAP-FILL FEES

Carriers will provide their RO with the 2001 laboratory gap-fill fees by May 4, 2001. Submit the gap-fill fees in a right-justified format. The RO review should take into account whether submitted fees seem reasonable in comparison with the gap-fill fees received from other carriers within the RO's jurisdiction. These data are needed for the development of the calendar year 2001 clinical diagnostic laboratory fee schedule. These data should be transmitted in an ASCII file with the following file specifications:

DATA FILE NAME: CLXXXXX.TXT\* (ASCII File)  
(\*Denotes carrier 5-digit number)

<u>FIELD NAME</u>	<u>PICTURE</u>	<u>START-END POSITION</u>	<u>COMMENT</u>
YEAR	X(4)	1-4	Set to 2001
HCPCS CODE	X(5)	5-9	
MODIFIER	X(2)	10-11	
CARRIER NUMBER	X(5)	12-16	
LOCALITY	X(2)	17-18	00--Denotes Single State Carrier 01--North Dakota 02--South Dakota 20--Puerto Rico
60% LOCAL FEE SCHEDULE	9(5)V99	19-25	

The ROs should review the files and then forward to HCFA by May 31, 2001. The address to send the files is: MStevenson@hcfa.gov.