

# Quarterly Update for Clinical Laboratory Fee Schedule (CLFS) and Laboratory Services Subject to Reasonable Charge Payment

MLN Matters Number: MM12612 Related Change Request (CR) Number: 12612

Related CR Transmittal Number: R11221CP Implementation Date: April 4, 2022

## **Provider Types Affected**

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

#### **Provider Action Needed**

In this Article, you'll learn about:

- Instructions for the April 2022 update to the CLFS
- New codes effective April 1, 2022.

Make sure your billing staff knows about these changes.

# **Background**

#### Advanced Diagnostic Laboratory Tests (ADLTs)

Refer to the CMS ADLT website for more information about these tests.

## **Next CLFS Data Reporting Period for Clinical Diagnostic Laboratory Tests**

Section 216(a) of the Protecting Access to Medicare Act of 2014 (PAMA), required significant changes to how Medicare pays for Clinical Diagnostic Laboratory Tests (CDLTs) under the CLFS. On December 10, 2021, the <a href="Protecting Medicare and American Farmers from Sequester Cuts Act (S. 610)">Protecting Medicare and American Farmers from Sequester Cuts Act (S. 610)</a> delayed the reporting requirement and the application of the 15% phase-in reduction.

Under the <u>CLFS final rule</u>, reporting entities must give us certain private payor rate information for their component applicable laboratories. The data collection period was from January 1, 2019, through June 30, 2019.

The revisions to the reporting period are:





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We'll base the next data reporting period of January 1, 2023, through March 31, 2023, on the
original data collection period of January 1, 2019, through June 30, 2019. After the next data
reporting period, there's a 3-year data reporting cycle for CDLTs that aren't ADLTs (2026,
2029, and so on).

• We extended the statutory phase-in of payment reductions resulting from private payor rate implementation through Calendar Year (CY) 2025. There's a 0.0% reduction for CY 2021 and CY 2022, and we won't reduce payment by more than 15% for CYs 2023-2025.

### **CLFS Beginning January 1, 2018**

Since January 1, 2018, we base CLFS rates on weighted median private payor rates. Part B deductible and coinsurance don't apply for services we pay under the CLFS. The <u>PAMA Regulations</u> give more details.

We'll make the <u>quarterly CLFS</u> available. Other interested parties, such as Medicaid State agencies, the Indian Health Service, the United Mine Workers, and the Railroad Retirement Board, may want to download the <u>quarterly CLFS</u>. It will be available in these formats:

- Excel®
- Text
- Comma delimited

The CLFS includes separately payable fees for certain specimen collection methods (codes 36415, P9612, and P9615). The fees are established in accordance with <u>Section 1833(h)(4)(B) of the Social Security Act</u>.

#### New Codes Effective April 1, 2022 – Proprietary Laboratory Analysis (PLAs)

See the <u>table in CR 12612</u>. We added the listed new codes in this table to the national HCPCS file with an effective date of April 1, 2022. These new codes are contractor-priced (where applicable) until they are nationally priced by the CLFS annual payment determination process. MACs will only price PLA codes for laboratories within their jurisdiction. The table includes the laboratory, long descriptor, short descriptor, and Type of Service of each new code.

#### More Information

We issued <u>CR 12612</u> to your MAC as the official instruction for this change.

For more information, find your MAC's website.





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# **Document History**

Date of Change		Description	
January 27, 2022	Initial article released.		

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