

Related Change Request (CR) #: 3161

Medlearn Matters Number: MM3161

Related CR Release Date: March 15, 2004

Related CR Transmittal #: 119

Effective Date: April 1, 2004

Implementation Date: April 5, 2004

MMA Drug Pricing Update—Drug Exceptions

Provider Types Affected

Physicians and suppliers.

Provider Action Needed

Physicians and suppliers should note that the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA), (Section 303(b)(2)), created a process for increasing the 2004 payment limits for some Medicare Part B drugs and biologicals provided from April 1, 2004 through December 31, 2004.

This instruction identifies those drugs and biologicals granted increases under this process and their new payment amounts.

Background

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA), (Section 303(b)(2)), provides an opportunity for the manufacturer of a drug to submit data and information requesting a different percentage than the percentage the Centers for Medicare & Medicaid Services (CMS) published in the *Federal Register* notice on January 7, 2004, or the 85 percent general rule.

Based on this data and information provided by the drug manufacturer, CMS may adjust the percentage beginning April 1, 2004, as appropriate for such granted exceptions.

These exceptions are described in the following table:

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HCPCS	Short Description	AWP%	New 2004 Payment Limit
J2353	Octreotide acetate injection	92	\$77.14
J3240	Thyrotropin injection	90	\$585.65
J3395	Verteporfin injection	91	\$1,404.26
J7320	Hylan G-F injection	83	\$204.03
J7342	Metabolically active tissue	89	\$14.42
J9045	Carboplatin injection	88	\$137.54
J9201	Gemcitabine HCl	87	\$111.33
J9206	Irinotecan injection	85	\$130.24
Q3025	IM inj interferon beta 1-a	89	\$80.22

Note that the absence or presence of a HCPCS code and its associated payment limit does not indicate Medicare coverage of the drug.

Implementation

The implementation date for this instruction is April 5, 2004.

Related Instructions

The official instruction issued to your carrier regarding this change may be found by going to the CMS Website:

http://www.cms.hhs.gov/manuals/transmittals/comm_date_dsc.asp

From that web page, look for **CR3161** in the CR NUM column on the right, and click on the file for that CR. If you have any questions, please contact your carrier at their toll-free number, which may be found at:

<http://www.cms.hhs.gov/medlearn/tollnums.asp>

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