
CMS Manual System

Pub. 100-20 One-Time Notification

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal 31

Date: DECEMBER 19, 2003

CHANGE REQUEST 3013

I. SUMMARY OF CHANGES: This One-Time Notification provides instructions for changing the DMEPOS and Clinical Laboratory Fee Schedules as directed by recent legislative changes.

NEW/REVISED MATERIAL - EFFECTIVE DATE: January 1, 2004

***IMPLEMENTATION DATE: January 5, 2004**

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.

II. CHANGES IN MANUAL INSTRUCTIONS: N/A
(R = REVISED, N = NEW, D = DELETED)

***III. FUNDING:**

These instructions shall be implemented within your current operating budget.

IV. ATTACHMENTS:

	Business Requirements
	Manual Instruction
	Confidential Requirements
X	One-Time Notification
	Recurring Change Notification

***Medicare contractors only**

Attachment - One-Time Notification

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SUBJECT: Emergency Revised 2004 Update of the DMEPOS and Clinical Laboratory Fee Schedules

I. GENERAL INFORMATION

A. Background:

This One-Time Notification provides instructions for changing the DMEPOS and Clinical Laboratory Fee Schedules as directed by recent legislative changes.

B. Policy:

Section 628 of the Medicare Prescription Drug, Improvement, and Modernization Act (DIMA) of 2003 specifies that the fee update for clinical laboratory services for FY 2004 through 2008 is 0 percent. The revised fee update for clinical laboratory services requires revised fees for traveling to perform a specimen collection for either a nursing home or homebound patient. For dates of service January 1, 2004 through December 31, 2004, the payment for code P9603 (per mileage trip basis) is \$.825 and for code P9604 (flat rate trip basis) is \$8.25.

In accordance with section 302(c) of the DIMA, the fee schedule update factors for 2004 for DME (other than items classified as class III devices by the Food and Drug Administration), prosthetic devices, prosthetics, orthotics and surgical dressings are equal to 0 percent. In addition, the 2004 payment limits for therapeutic shoes will be frozen at the 2003 amounts. Additional instructions regarding the DMEPOS update factors for 2004 will be provided in a separate instruction. We are transmitting new Medicare DMEPOS and Clinical Lab Fee Schedule files to reflect this change in law.

Section 418 of the DIMA eliminates the application of the clinical laboratory fee schedule by a hospital laboratory with fewer than 50 beds in a qualified rural area for outpatient laboratory testing for cost reporting periods beginning during the 2-year period beginning on July 1, 2004. Payment for these outpatient laboratory tests will be reasonable costs during the applicable time period. Additional instructions regarding which qualified rural areas apply to this provision will be provided in a separate instruction.

C. Provider Education:

After CMS notifies Medicare Fiscal Intermediaries and Carriers that the legislation has been signed by the President they shall inform affected providers by posting this document on their Web site within two weeks of CMS notification. If they have a listserv that targets affected providers, they shall use it to notify subscribers that an updated DMEPOS and Clinical Laboratory Fee Schedule is available on their Web site.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement #	Requirements	Responsibility
3013.1	<p>Medicare contractors shall download the corrected Clinical Laboratory Fee Schedule from the CMS mainframe by 12/12/03. The new DMEPOS files which include the gap filled data will be available on 12/12/03. This will eliminate the contractors from receiving multiple files.</p> <p>Listed below are the new file names:</p> <p>The Clinical Laboratory FS files are: <u>MU00.@BF12394.CLAB.CY04.MR.V1203</u> (for carriers) <u>MU00.@BF12394.CLAB.CY04.MR.V1203.FI</u> (for FIs)</p> <p>The DMEPOS Files are: <u>MU00.@BF12393.DMEPOS.T040101.MRGAP.V1203</u> (for carriers) <u>MU00.@BF12393.DMEPOS.T040101.MRGAP.V1203.FI</u> (for FIs)</p>	Fiscal Intermediaries (FIs) and Carriers

III. SUPPORTING INFORMATION & POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

IV. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date: January 1, 2004</p> <p>Implementation Date: January 5, 2004</p> <p>Pre-Implementation Contact(s): Ursula Randall (410) 786-5953</p> <p>Post-Implementation Contact(s): Regional Office</p>	<p>These instructions shall be implemented within your current operating budget.</p>
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