

Related Change Request (CR) #: 3331
 Related CR Release Date: August 27, 2004
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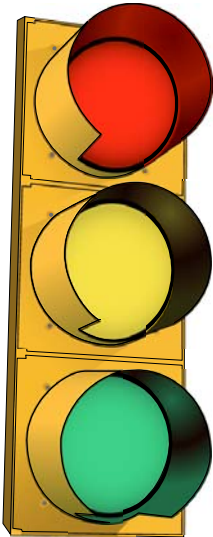
Medlearn Matters Number: MM3331

MMA - Billing Instructions for ADVATE rAHF-PFM on Medicare Claims

Provider Types Affected

Hospitals, Providers, and Independent ESRD Facilities

Provider Action Needed



STOP – Impact to You

This is a one-time notification to ensure that providers, hospitals and independent ESRD facilities are aware of the correct HCPCS code to use when billing for Advate.

CAUTION – What You Need to Know

ADVATE rAHF-PFM was approved by the Food and Drug Administration (FDA) on July 25, 2003; the payment limit that should be used for Advate is the same payment limit currently assigned to HCPCS code **J7192**. This payment limit will apply to all Advate claims submitted for services from January 1, 2004 through December 31, 2004. Also, effective for dates of services on or after July 25, 2003, claims submitted to Medicare fiscal intermediaries for Advate will be rejected if reported with any other code except J7192. Claims submitted to carriers for dates of service on or after July 25, 2003 without J7192 will be adjusted to reflect J7192 and carriers will append modifier "CC" to reflect this adjustment.

GO – What You Need to Do

Make sure that your billing staff knows that HCPCS code J7192 must be used when billing for the drug Advate, effective for dates of services on or after July 25, 2003.

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Background

Beginning January 1, 2004, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) provides that the payment limits for most drugs and biologicals not paid on a cost or prospective payment basis are based on 85 percent of the Average Wholesale Price (AWP) reflected in the published compendia as of April 1, 2003, for those drugs and biologicals furnished on and after January 1, 2004.

However, one of the exceptions to this general rule is the payment limit for blood clotting factors. Specifically, the payment limits for blood clotting factors are 95 percent of the AWP reflected in the published compendia as of September 1, 2003.

Advate is a blood clotting factor that was approved by the FDA on July 25, 2003 for the treatment of persons with hemophilia A. Advate should be reported using the existing HCPCS code **J7192**.

Implementation Date

This change will be implemented in Medicare claims processing systems on September 27, 2004.

Additional Information

For the calendar year 2004, the Advate payment limit for providers and for independent ESRD facilities can be found in the 2004 MMA drug pricing file that was issued in CR 3105. A *Medlearn Matters* article on this CR can be found at:

<http://www.cms.hhs.gov/medlearn/matters/mmarticles/2004/MM3105.pdf>

The MMA Drug Payment Limits Pricing Files for Dates of Service 1/1/2004 and after are available at:

<http://cms.hhs.gov/providers/drugs/default.asp>

For hospital Outpatient Prospective Payment System (OPPS), the payment rate for Advate can be found in the latest quarterly update of the OPPS Outpatient Code Editor that is posted on the CMS OPPS website. The CMS Hospital Outpatient Prospective Payment System website can be found at:

<http://www.cms.hhs.gov/providers/hopps/>

If you have any questions regarding this issue, please contact your carrier/intermediary at their toll free number, which may be found at:

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

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