



## Change to the Payment of Allogeneic Stem Cell Acquisition Services

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Related Change Request (CR) Number: 11729

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Effective Date: For cost reporting periods beginning on or after October 1, 2020

Related CR Transmittal Number: **R10402CP**

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**Note: We revised this article to reflect the revised CR 11729 issued on October 20, 2020. The CR revision did not impact the substance of the article. In the article, we revised the CR release date, transmittal number, and the web address of the CR. All other information remains the same.**

### PROVIDER TYPES AFFECTED

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This MLN Matters Article is for hospitals who bill Medicare Administrative Contractors (MACs) for inpatient hospital Allogeneic Stem Cell Acquisition services provided to Medicare beneficiaries.

### WHAT YOU NEED TO KNOW

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CR 11729 provides instructions to pay inpatient hospital Allogeneic Stem Cell Acquisition services on a reasonable cost basis. Please make sure your billing staffs are aware of these changes.

### BACKGROUND

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Allogeneic hematopoietic stem cell transplants involve collecting or acquiring stem cells from a healthy donor's bone marrow, peripheral blood, or cord blood for intravenous infusion to the recipient.

Medicare reimburses allogeneic hematopoietic stem cell transplants that are provided to Medicare beneficiaries for the treatment of certain diagnoses, if such treatment is considered reasonable and necessary.

Currently:

- Inpatient hospital acquisition costs associated with allogeneic hematopoietic stem cell transplants are included in the operating costs of inpatient hospital services for subsection (d) hospitals (that is, hospitals paid under the Inpatient Prospective Payment System (IPPS)).

- IPPS payments for acquisition services associated with allogeneic hematopoietic stem cell transplants are currently included in the Medicare Severity Diagnosis Related Groups (MS-DRGs) payments for the allogeneic hematopoietic stem cell transplants when the transplants occurred in the inpatient setting.

CR 11729 updates the Medicare Claims Processing Manual, Chapter 3 (Inpatient Hospital Billing, Section 90.3.1 (Allogeneic for Stem Cell Transplantation) and Addendum A (Provider Specific File) to reflect changes in how Medicare will pay for Allogeneic Stem Cell Acquisition services, effective for cost reporting periods beginning on or after October 1, 2020; as required by Section 108 of the Further Consolidated Appropriations Act, 2020 (Pub. L. 116-94). You can find this updated Manual as an attachment to CR 11729.

Specifically, this Section of the Act provides that:

1. Costs related to hematopoietic stem cell acquisition for the purpose of an allogeneic hematopoietic stem cell transplant are not included in the definition of “operating costs of inpatient hospital services,” found at section 1886(a)(4) of the Act, and
2. In the case of a subsection (d) hospital that furnishes an allogeneic hematopoietic stem cell transplant, payment to the hospital for hematopoietic stem cell acquisition will be made on a reasonable cost basis. You should note that this is the same way hospitals with approved transplant centers are reimbursed for their acquisition costs for solid organs under 42 CFR 412.113(d).

## ADDITIONAL INFORMATION

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The official instruction, CR 11729, issued to your MAC regarding this change is available at <https://www.cms.gov/files/document/r10402CP.pdf>.

If you have questions, your MACs may have more information. Find their website at <http://go.cms.gov/MAC-website-list>.

## DOCUMENT HISTORY

Date of Change	Description
October 21, 2020	We revised this article to reflect the revised CR 11729 issued on October 20, 2020. The CR revision did not impact the substance of the article. In the article, we revised the CR release date, transmittal number, and the web address of the CR. All other information remains the same.
September 24, 2020	We revised this article to reflect the revised CR 11729 issued on September 24, 2020. The CR revision did not impact the substance of the article. In the article, we revised the CR release date, transmittal number, and the web address of the CR. All other information remains the same.
July 13, 2020	Initial article released.

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