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|---------------------------------------|------------------------------------------------|
| CMS Manual System                     | Department of Health & Human Services (DHHS)   |
| Pub 100-04 Medicare Claims Processing | Centers for Medicare & Medicaid Services (CMS) |
| Transmittal 10329                     | Date: August 28, 2020                          |
|                                       | Change Request 11932                           |

**SUBJECT: Annual Clotting Factor Furnishing Fee Update 2021**

**I. SUMMARY OF CHANGES:** This annually recurring CR announces the update to the Clotting Factor Furnishing Fee.

**EFFECTIVE DATE: January 1, 2021**

*\*Unless otherwise specified, the effective date is the date of service.*

**IMPLEMENTATION DATE: January 4, 2021**

**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. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

| R/N/D | CHAPTER / SECTION / SUBSECTION / TITLE        |
|-------|-----------------------------------------------|
| R     | 17/80/80.4.1 – Clotting Factor Furnishing Fee |

**III. FUNDING:**

**For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**IV. ATTACHMENTS:**

**Recurring Update Notification**

# Attachment - Recurring Update Notification

|             |                    |                       |                       |
|-------------|--------------------|-----------------------|-----------------------|
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**IMPLEMENTATION DATE: January 4, 2021**

## I. GENERAL INFORMATION

**A. Background:** The Medicare Modernization Act section 303(e)(1) added section 1842(o)(5)(C) of the Social Security Act which requires that a furnishing fee will be paid for items and services associated with clotting factor.

**B. Policy:** The Centers for Medicare & Medicaid Services (CMS) includes the clotting factor furnishing fee in the published national payment limits for clotting factor billing codes. When the national payment limit for a clotting factor is not included on the Average Sales Price (ASP) Medicare Part B Drug Pricing File or the Not Otherwise Classified (NOC) Pricing File, the contractor must make payment for the clotting factor as well as make payment for the furnishing fee.

For 2021, the clotting factor furnishing fee of \$0.238 per unit is included in the published payment limit for clotting factors and shall be added to the payment for a clotting factor when no payment limit for the clotting factor is published either on the ASP or NOC drug pricing files.

## II. BUSINESS REQUIREMENTS TABLE

*"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.*

| Number  | Requirement                                                                                                                                                                                                                    | Responsibility |   |             |                                |                                  |             |             |             |       |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---|-------------|--------------------------------|----------------------------------|-------------|-------------|-------------|-------|
|         |                                                                                                                                                                                                                                | A/B<br>MAC     |   |             | D<br>M<br>E<br><br>M<br>A<br>C | Shared-<br>System<br>Maintainers |             |             |             | Other |
|         |                                                                                                                                                                                                                                | A              | B | H<br>H<br>H |                                | F<br>I<br>S<br>S                 | M<br>C<br>S | V<br>M<br>S | C<br>W<br>F |       |
| 11932.1 | Contractors shall make separate payment for the clotting factor furnishing fee when separate payment for the clotting factor is allowed and the payment limit for the clotting factor is not included on the ASP or NOC files. | X              | X |             |                                |                                  |             |             |             |       |

## III. PROVIDER EDUCATION TABLE

| Number | Requirement | Responsibility |             |             |
|--------|-------------|----------------|-------------|-------------|
|        |             | A/B<br>MAC     | D<br>M<br>E | C<br>E<br>D |

|         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | A | B | H<br>H<br>H | M<br>A<br>C | I |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|-------------|-------------|---|
| 11932.2 | MLN Article: CMS will make available an MLN Matters provider education article that will be marketed through the MLN Connects weekly newsletter shortly after the CR is released. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1, instructions for distributing MLN Connects information to providers, posting the article or a direct link to the article on your website, and including the article or a direct link to the article in your bulletin or newsletter. You may supplement MLN Matters articles with localized information benefiting your provider community in billing and administering the Medicare program correctly. Subscribe to the “MLN Matters” listserv to get article release notifications, or review them in the MLN Connects weekly newsletter. | X | X |             |             |   |

#### IV. SUPPORTING INFORMATION

**Section A: Recommendations and supporting information associated with listed requirements:** N/A

*"Should" denotes a recommendation.*

| X-Ref Requirement Number | Recommendations or other supporting information: |
|--------------------------|--------------------------------------------------|
|--------------------------|--------------------------------------------------|

**Section B: All other recommendations and supporting information:** N/A

#### V. CONTACTS

**Pre-Implementation Contact(s):** Felicia Eggleston, 410-786-9287 or Felicia.Eggleston@cms.hhs.gov , Prabath Malluwa-Wadu, 410-786-4620 or prabath.malluwa-wadu@cms.hhs.gov

**Post-Implementation Contact(s):** Contact your Contracting Officer's Representative (COR).

#### VI. FUNDING

##### **Section A: For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**ATTACHMENTS: 0**

# Medicare Claims Processing Manual

## Chapter 17 - Drugs and Biologicals

### 80.4.1 – Clotting Factor Furnishing Fee

*(Rev.10329, Issued: 08-28-2020, Effective: 01-01-2021, Implementation: 01-04-2021)*

The Medicare Modernization Act section 303(e)(1) added section 1842(o)(5)(C) of the Social Security Act which requires that, beginning January 1, 2005, a furnishing fee will be paid for items and services associated with clotting factor.

Beginning January 1, 2005, a clotting factor furnishing fee is separately payable to entities that furnish clotting factor unless the costs associated with furnishing the clotting factor is paid through another payment system.

The clotting factor furnishing fee is updated each calendar year based on the percentage increase in the consumer price index (CPI) for medical care for the 12-month period ending with June of the previous year. The clotting factor furnishing fees applicable for dates of service in each calendar year (CY) are listed below:

CY 2005 - \$0.140 per unit  
CY 2006 - \$0.146 per unit  
CY 2007 - \$0.152 per unit  
CY 2008 - \$0.158 per unit  
CY 2009 - \$0.164 per unit  
CY 2010 - \$0.170 per unit  
CY 2011 - \$0.176 per unit  
CY 2012 - \$0.181 per unit  
CY 2013 - \$0.188 per unit  
CY 2014 - \$0.192 per unit  
CY 2015 - \$0.197 per unit  
CY 2016 - \$0.202 per unit  
CY 2017 - \$0.209 per unit  
CY 2018 - \$0.215 per unit  
CY 2019 - \$0.220 per unit  
CY 2020 - \$0.226 per unit  
*CY 2021 - \$0.238 per unit*

Annual updates to the clotting factor furnishing fee are subsequently communicated by a Recurring Update Notification.

CMS includes this clotting factor furnishing fee in the nationally published payment limit for clotting factor billing codes. When the clotting factor is not included on the Average Sales Price (ASP) Medicare Part B Drug Pricing File or Not Otherwise Classified (NOC) Pricing File, the contractor must make payment for the clotting factor as well as make payment for the furnishing fee.