CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-04 Medicare Claims Processing	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 11398	**Date: May 4, 2022**
	Change Request 12737

SUBJECT: Quarterly Update for Clinical Laboratory Fee Schedule (CLFS) and Laboratory Services Subject to Reasonable Charge Payment

I. SUMMARY OF CHANGES: The Purpose of this Change Request (CR) is a Recurring Update Notification (RUN) provides instructions for the quarterly update to the clinical laboratory fee schedule. This RUN applies to chapter 16, section 20.

EFFECTIVE DATE: July 1, 2022
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: July 5, 2022

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
N/A	N/A

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

Pub. 100-04	Transmittal: 11398	Date: May 4, 2022	Change Request: 12737

SUBJECT: Quarterly Update for Clinical Laboratory Fee Schedule (CLFS) and Laboratory Services Subject to Reasonable Charge Payment

EFFECTIVE DATE: July 1, 2022
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IMPLEMENTATION DATE: July 5, 2022

I. GENERAL INFORMATION

A. Background: This Recurring Update Notification (RUN) provides instructions for the quarterly update to the clinical laboratory fee schedule. This RUN applies to chapter 16, section 20.

B. Policy: Clinical Laboratory Fee Schedule

Advanced Diagnostic Laboratory Tests (ADLTs)

- Please refer to the following Centers for Medicare & Medicaid Services (CMS) website for additional information regarding these tests: https:/www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/PAMA-Regulations.html#ADLT_tests.

Next CLFS Data Reporting Period for Clinical Diagnostic Laboratory Tests--DELAYED

On December 10, 2021, the "Protecting Medicare and American Farmers from Sequester Cuts Act" (S. 610) delayed the reporting requirement under Section 1834A of the Act and also delayed the application of the 15% phase-in reduction.

- Section 1834A of the Act, as established by Section 216(a) of the Protecting Access to Medicare Act of 2014 (PAMA), required significant changes to how Medicare pays for Clinical Diagnostic Laboratory Tests (CDLTs) under the CLFS. The CLFS final rule "Medicare Clinical Diagnostic Laboratory Tests Payment System Final Rule" (CMS-1621-F) was published in the Federal Register on June 23, 2016. The CLFS final rule implemented section 1834A of the Act. Under the CLFS final rule, reporting entities must report to CMS certain private payer rate information (applicable information) for their component applicable laboratories. The data collection period (the period where applicable information for an applicable laboratory is obtained from claims for which the laboratory received final payment during the period) was from January 1, 2019 through June 30, 2019.
- The next data reporting period of January 1, 2023 through March 31, 2023, will be based on the original data collection period of January 1, 2019 through June 30, 2019.
- After the next data reporting period, there is a three-year data reporting cycle for CDLTs that are not ADLTs, (that is 2026, 2029, etc.).
- The statutory phase-in of payment reductions resulting from private payor rate implementation is extended, that is, through Calendar Year (CY) 2025. There is a 0.0 percent reduction for CY 2021 and CY 2022, and payment may not be reduced by more than 15 percent for CYs 2023 through 2025.

Clinical Laboratory Fee Schedule Beginning January 1, 2018

- Effective January 1, 2018, CLFS rates are based on weighted median private payor rates as required by the Protecting Access to Medicare Act (PAMA) of 2014.
- The Part B deductible and coinsurance do not apply for services paid under the clinical laboratory fee schedule.
- For more details, visit PAMA Regulations, at https:/www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/PAMA-Regulations.html.
- **Access to Data File:** The quarterly clinical laboratory fee schedule data file shall be retrieved electronically through CMS' mainframe telecommunications system. Under normal circumstances, CMS will make the updated CLFS data file available to Parts A and B Medicare Administrative Contractors (MACs) approximately 6 weeks prior to the beginning of each quarter. For example, the updated file will typically be made available for download and testing on or before approximately February 15th for the April 1st release. Internet access to the quarterly clinical laboratory fee schedule data file shall be available at https:/www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/index.html. Other interested parties, such as the Medicaid State agencies, the Indian Health Service, the United Mine Workers, and the Railroad Retirement Board, shall use the Internet to retrieve the quarterly clinical laboratory fee schedule. It will be available in multiple formats: Excel, text, and comma delimited.
- **Pricing Information:** The clinical laboratory fee schedule includes separately payable fees for certain specimen collection methods (codes 36415, P9612, and P9615). The fees are established in accordance with section 1833(h)(4)(B) of the Act. Also note additional specimen collection codes may be listed below during the PHE.

New Codes Effective July 1, 2022

Proprietary Laboratory Analysis (PLAs)

Please see table attached to the Transmittal entitled **"New Codes Effective July 1, 2022*"**, Tab "**New Codes**". The listed new codes were added to the national Healthcare Common Procedure Coding System (HCPCS) file with an effective date of July 1, 2022 and do not need to be manually added to the HCPCS files by the MACs. However, these new codes are contractor-priced (where applicable) until they are nationally priced and undergo the CLFS annual payment determination process in accordance with the Social Security Act § 1833(h)(8), § 1834A(c) and § 1834(A)(f). MACs shall only price PLA codes for laboratories within their jurisdiction.

The table includes the laboratory, long descriptor, short descriptor, and type of service (TOS) of each new code.

In addition, the following HCPCS codes were discontinued on September 30, 2021, and are to be removed from the CLFS: 0139U (short descriptor, Neuro austm meas 6 c metablt), and 0168U (short descriptor, Ftl aneuploidy dna seq alys).

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
12737.1	Contractors shall be aware that the CLFS will be released quarterly, as needed, and establish hours to accommodate retrieval and implementation of the quarterly CLFS data file.	X	X							VDC
12737.1.1	CMS shall notify contractors by email approximately six weeks prior to the beginning of the quarter when the CLFS data file is ready for download. CMS shall provide the file name.									CMS
12737.2	Contractors shall retrieve and load for testing and claims processing purposes the July 2022 quarterly CLFS data file from the CMS mainframe approximately six weeks prior to the beginning of the quarter.	X	X							VDC
12737.2.1	Contractors shall note that two CLFS data files will be available. Contractors shall use the file that they prefer. The CLFS data file name will be in the following format: Date File #1: MU00.@BF12394.CLAB.VyyyyQr.UPDTONLY Data File #2: MU00.@BF12394.CLAB.VyyyyQr.FULLREPL Note: Data File #1 includes the changes only file (i.e., the changes from the previous quarter). Data File #2 includes the full replacement file. The naming convention of the file is such that “yyyy” equals the calendar year (for example, V2020) and “r” equals the release number (for example, Q3 reflects Quarter 3 or July release) with January = 1, April = 2, July = 3, and October = 4 For example, for the April release or the 2nd quarter release of 2022, the data file names are listed below: Data File #1: MU00.@BF12394.CLAB.V2022Q3.UPDTONLY Data File #2: MU00.@BF12394.CLAB.V2022Q3.FULLREPL	X	X							VDC
12737.2.2	Contractors shall notify CMS of successful receipt via e-mail to price_file_receipt@cms.hhs.gov stating the	X	X							VDC

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	name of the file received and the entity for which it was received (e.g., SSM or A/B MAC Part B name and number).									
12737.2.3	Contractors shall address any questions/concerns regarding the content of the files and/or specific HCPCS codes contained within by emailing CLFS_Inquiries@cms.hhs.gov.	X	X							VDC
12737.3	Contractors shall determine the reasonable charge for the codes identified as paid under the reasonable charge basis (**NOTE** - This requirement is applicable to the January quarterly release CR only).	X	X							
12737.4	A/B MAC Part A contractors shall determine payment on a reasonable cost basis when these services are performed for hospital-based renal dialysis facility patients (**NOTE** - This requirement is applicable to the January quarterly release CR only).	X								
12737.5	Contractors shall be aware of any new Advanced Diagnostic Laboratory Test (ADLT) codes, and/or CPT/HCPCS codes (including their TOS designation(s) and Effective date), and/or any deleted/terminated codes as applicable listed in this Change Request and shall update their systems as necessary to accept/delete/terminate them.	X	X						X	
12737.5.1	In instances where Medicare covered CLFS procedure codes do not yet appear on the quarterly CLFS file or the quarterly Integrated Outpatient Code Editor (IOCE) update, contractors shall locally price the codes until they appear on the CLFS file and/or, for Part A claims, the IOCE.	X	X							
12737.6	Contractors shall not search their files to either retract payment or retroactively pay claims; however, contractors should adjust claims if they are brought to their attention.	X	X							

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
12737.7	Medicare Learning Network® (MLN): CMS will market provider education content through the MLN Connects® newsletter shortly after CMS releases the CR. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 instructions for distributing the MLN Connects newsletter information to providers and link to relevant information on your website. You may supplement MLN content with your local information after we release the MLN Connects newsletter. Subscribe to the "MLN Connects" listserv to get MLN content notifications. You don't need to separately track and report MLN content releases when you distribute MLN Connects newsletter content per the manual section referenced above.	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): Laura Ashbaugh, 410-786-1113 or laura.ashbaugh2@cms.hhs.gov , Glenn McGuirk, 410-786-5723 or Glenn.McGuirk@cms.hhs.gov

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

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):
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ATTACHMENTS: 1

New Codes Effective July 1, 2022

Proprietary Laboratory Analysis (PLAs)

The following new codes have been added to the national HCPCS file with an effective date of July 1, 2022 and do not need to be manually added to the HCPCS files by the MACs. However, these new codes are contractor-priced (where applicable) until they are nationally priced and undergo the CLFS annual payment determination process in accordance with the Social Security Act § 1833(h)(8), § 1834A(c) and § 1834(A)(f).

MACs shall only price PLA codes for laboratories within their jurisdiction.

Laboratory	CPT Code	Long Descriptor	Short Descriptor	TOS	Effective Date
Johns Hopkins Metagenomic NextGeneration Sequencing Assay for Infectious Disease Diagnostics, Johns Hopkins Medical Microbiology Laboratory	0323U	Infectious agent detection by nucleic acid (DNA and RNA), central nervous system pathogen, metagenomic next-generation sequencing, cerebrospinal fluid (CSF), identification of pathogenic bacteria, viruses, parasites, or fungi	IADNA CNS PTHGN NEXT GEN SEQ	5	07/01/22
3D Predict™ Ovarian Doublet Panel, KIYATEC® Inc	0324U	Oncology (ovarian), spheroid cell culture, 4-drug panel (carboplatin, doxorubicin, gemcitabine, paclitaxel), tumor chemotherapy response prediction for each drug	ONC OVAR SPHRD CELL 4 RX PNL	5	07/01/22
3D Predict™ Ovarian PARP Panel, KIYATEC® Inc	0325U	Oncology (ovarian), spheroid cell culture, poly (ADP-ribose) polymerase (PARP) inhibitors (niraparib, olaparib, rucaparib, velparib), tumor response prediction for each drug	ONC OVAR SPHRD CELL PARP	5	07/01/22
Guardant360®, Guardant Health, Inc, Guardant Health, Inc	0326U	Targeted genomic sequence analysis panel, solid organ neoplasm, cell-free circulating DNA analysis of 83 or more genes, interrogation for sequence variants, gene copy number amplifications, gene rearrangements, microsatellite instability and tumor mutational burden	TRGT GEN SEQ ALYS PNL 83+	5	07/01/22
Vasistera™, Natera, Inc, Natera, Inc	0327U	Fetal aneuploidy (trisomy 13, 18, and 21), DNA sequence analysis of selected regions using maternal plasma, algorithm reported as a risk score for each trisomy, includes sex reporting, if performed	FTL ANEUPLOIDY TRSMY DNA SEQ	5	07/01/22
CareView360, Newstar Medical Laboratories, LLC, Newstar Medical Laboratories, LLC	0328U	Drug assay, definitive, 120 or more drugs and metabolites, urine, quantitative liquid chromatography with tandem mass spectrometry (LC-MS/MS), includes specimen validity and algorithmic analysis describing drug or metabolite and presence or absence of risks for a significant patient-adverse event, per date of service	DRUG ASSAY 120+ RX&METABLT	5	07/01/22
Oncomap™ ExTra, Exact Sciences, Inc, Genomic Health Inc	0329U	Oncology (neoplasia), exome and transcriptome sequence analysis for sequence variants, gene copy number amplifications and deletions, gene rearrangements, icrosatellite instability and tumor mutational burden utilizing DNA and RNA from tumor with DNA from normal blood or saliva for subtraction, report of clinically significant mutation(s) with therapy associations	ONC NEO XOME&TRNS SEQ ALYS	5	07/01/22
Bridge Women's Health Infectious Disease Detection Test, Bridge Diagnostics, ThermoFisher and Hologic Test Kit on Panther Instrument	0330U	Infectious agent detection by nucleic acid (DNA or RNA), vaginal pathogen panel, identification of 27 organisms, amplified probe technique, vaginal swab	IADNA VAG PTHGN PANEL 27 ORG	5	07/01/22
Augusta Hematology Optical Genome Mapping, Georgia Esoteric and Molecular Labs, Augusta University, Bionano	0331U	Oncology (hematolymphoid neoplasia), optical genome mapping for copy number alterations and gene rearrangements utilizing DNA from blood or bone marrow, report of clinically significant alternations	ONC HL NEO OPT GEN MAPPING	5	07/01/22