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Clinical Laboratory Fee Schedule & Laboratory Services Reasonable Charge Payment: Quarterly Update

Related CR Release Date: February 22, 2024 MLN Matters Number: MM13541

Effective Date: April 1, 2024 Related Change Request (CR) Number: CR 13541

Implementation Date: April 1, 2024 Related CR Transmittal Number: R12519CP

Related CR Title: Quarterly Update for Clinical Laboratory Fee Schedule (CLFS) and Laboratory

Services Subject to Reasonable Charge Payment

Affected Providers

- Physicians
- Hospitals
- Suppliers
- Other providers billing Medicare Administrative Contractors (MACs) for services they provide to Medicare patients

Action Needed

Make sure your billing staff knows about:

- Next private payor data reporting period: January March 2025
- New and deleted HCPCS codes

Background

CLFS Reporting Period for Clinical Diagnostic Laboratory Tests (CDLTs) is Delayed until January 1, 2025 – March 31, 2025

On November 16, 2023, Section 502 of the <u>Further Continuing Appropriations and Other Extensions Act of 2024</u> delayed data reporting requirements for CDLTs that aren't advanced diagnostic laboratory tests (ADLTs). It also delayed the phase-in of payment reductions under the CLFS from private payor rate implementation.

- The next data reporting period will be from January 1 March 31, 2025, based on the original data collection period of January 1 June 30, 2019
- CMS will apply a 0% payment reduction for CY 2024 so that a CDLT that isn't an ADLT may not be reduced compared to the payment amount for that test in CY 2023, and for CYs 2025 - 2027 payment, we won't reduce payment by more than 15% per year compared to the payment amount established for a test the preceding year
- After the next data reporting period, there's a 3-year data reporting cycle for CDLTs that aren't ADLTs (in other words, 2028, 2031, etc.)





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ADLTs

See ADLT Information for more information about these tests.

New Codes Effective April 1, 2024 - Proprietary Laboratory Analyses (PLAs) and Additional New Codes

See the <u>table</u> in CR 13541 entitled **"CY2024 CLFS Quarter 2 Updates,"** Tab **"New Codes Effective 4-1-24."** We're adding the listed new codes to the national HCPCS file with an effective date of April 1, 2024. These new codes are MAC-priced, where applicable, until they're nationally priced and undergo the CLFS annual payment determination process. MACs will only price PLA codes for laboratories within their jurisdiction. The table includes the laboratory, long descriptor, short descriptor, and type of service of each new code.

Note: Your MAC won't search its files to retract payment or retroactively pay claims; however, they'll adjust claims you bring to their attention.

Deleted Codes Effective April 1, 2024

See the <u>table</u> attached to the Transmittal entitled "CY2024 CLFS Quarter 2 Updates," Tab "Deleted Codes Effective 4-1-24." We're deleting listed codes with a date of April 1, 2024. The table includes the code, long descriptor, and delete date of the code.

More Information

We issued CR 13541 to your MAC as the official instruction for this change.

For more information, <u>find your MAC's website</u>.

Document History

Date of Change		Description	
February 22, 2024	Initial article released.		

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