Medicare Claims Processing Manual
Chapter 35 – Independent Diagnostic Testing Facility (IDTF)

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(Rev. 4071, 06-08-18)

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10 - General Coverage and Payment Policies
(Rev. 1506; Issued: 05-16-08; Effective/Implementation Date: 06-16-08)

Effective for diagnostic procedures performed on or after March 15, 1999, A/B MACs (B) will pay for diagnostic procedures under the physician fee schedule only when performed by a physician, a group practice of physicians, an approved supplier of portable x-ray services, a nurse practitioner, or a clinical nurse specialist when he or she performs a test he or she is authorized by the State to perform, or an independent diagnostic testing facility (IDTF). An IDTF may be a fixed location or a mobile entity. It is independent of a physician's office or hospital.

Refer to the Medicare Program Integrity Manual, Pub. 100-08, chapter 10, for information concerning provider enrollment and instructions regarding entities that must enroll as and bill for diagnostic procedures as an independent diagnostic testing facility (IDTF).

10.1 - The Term "Independent Diagnostic Testing Facility (IDTF)"
(Rev. 1506; Issued: 05-16-08; Effective/Implementation Date: 06-16-08)

Consistent with 42 CFR 410. 33(a)(1), an IDTF is one that is independent both of an attending or consulting physician's office and of a hospital. However, IDTF general coverage and payment policy rules apply when an IDTF furnishes diagnostic procedures in a physician's office.

10.2 - Claims Processing
(Rev. 4071, Issued: 06-08-18, Issued: 07-09-18, Implementation: 07-09-18)

A. Billing Issues

Nothing in this document or in the Medicare Enrollment Application, (CMS-855B) or the Internet-based Provider Enrollment, Chain and Ownership System shall be construed or interpreted to authorize billing by an IDTF, physician, physician group practice, or any other entity that would otherwise violate the physician self-referral prohibition set forth in §1877 of the Social Security Act and related regulations. A/B MACs (B) must deny claims submitted in violation of §1877 and demand refunds of any payments that have been made in violation of §1877.

Consistent with 42 CFR 410.32(a), the supervisory physician for the IDTF, whether or not for a mobile unit, may not order tests to be performed by the IDTF, unless the supervisory physician is the patient's treating physician and is not otherwise prohibited from referring to the IDTF. The supervisory physician is the patient's treating physician if he or she furnishes a consultation or treats the patient for a specific medical problem and uses the test results in the management of the patient's medical problem.

If an IDTF wants to bill for an interpretation performed by a physician who does not share a practice with the IDTF, the IDTF must meet certain conditions concerning the

anti-markup payment limitation. If a physician working for an IDTF (or a party related to the IDTF through common ownership or control as described in 42 CFR §413.17) does not order the TC or PC of a diagnostic test (excluding clinical diagnostic laboratory tests), it would not be subject to the anti-markup payment limitation. (See Pub. 100-04, chapter 1, §30.2.9)

B. Transtelephonic and Electronic Monitoring Services

Transtelephonic and electronic monitoring services (e.g., 24 hour ambulatory EKG monitoring, pacemaker monitoring and cardiac event detection) may perform some of their services without actually seeing the patient. Most but not all of these billing codes are 93012 ,93014, 93040, 93224, 93225, 93226, 93232, 93230, 93231, 93233, 93236, 93270, 93271, 93731, 93733, 93736, 95953, 95956, These monitoring service entities should be classified as IDTFs and must meet all IDTF requirements. We currently do not have specific certification standards for their technicians; technician credentialing requirements for them are at A/B MAC (B) discretion. They do require a supervisory physician who performs General Supervision. Final enrollment of a transtelephonic or electronic monitoring service as an IDTF requires a site visit.

For any entity that lists and will bill codes 93012, 93014, 93268, 93270, 93271, 93272, the A/B MAC (B) must make a written determination that the entity actually has a person available on a 24 hour basis to answer telephone inquiries. Use of an answering service in lieu of the actual person is not acceptable. The person performing the attended monitoring should be listed in Section 3 of Attachment 2 of Form CMS-855B. The qualifications of the person are at the A/B MAC (B)'s discretion. The A/B MAC (B) shall check that the person is available by attempting to contact the applicant during non-standard business hours. In Particular, at least one of the contact calls should be made between midnight and 6:00 AM. If the applicant does not meet the availability standard they should receive a denial.

C. Slide Preparation Facilities and Radiation Therapy Centers

Slide Preparation Facilities and Radiation Therapy Centers are not IDTFs. Slide preparation facilities are entities that provide slide preparation services and other kinds of services that are payable through the technical component of the surgical pathology service. These entities do not provide the professional component of surgical pathology services or other kinds of laboratory tests. The services that they provide are recognized by A/B MACs (B) for payment, as codes in the surgical pathology code range (88300) to (88399) with a technical component value under the physician fee schedule. The services provided by these entities are usually ordered by and reviewed by a dermatologist. Slide preparation facilities generally only have one or two people performing this service.

All enrolled Slide Preparation Facilities must enroll separately with their Medicare contractor. Radiation therapy centers provide therapeutic services and therefore are not IDTFs. Radiation therapy centers must enroll separately with their Medicare contractor

D. Independent Diagnostic Testing Facility (IDTF) Mammography Payment

If an IDTF furnishes any type of mammography service (Screening or diagnostic), it must have a Food and Drug Administration (FDA) certification to perform such services. An entity that only performs diagnostic mammography service should not be enrolled as an IDTF.

Screening mammographies (including those that are self-referred) are payable by Medicare when performed in and by an IDTF entity.

For additional information, refer to 100-04 – Medicare Claims Processing Manual, Chapter 18 – Preventive and Screening Services, Section 20 - Mammography Services (Screening and Diagnostic).

20 - Ordering of Test

(Rev. 1506; Issued: 05-16-08; Effective/Implementation Date: 06-16-08)

All procedures performed by the IDTF must be specifically ordered in writing by the physician or practitioner who is treating the beneficiary, that is, the physician who is furnishing a consultation or treating a beneficiary for a specific medical problem and who uses the results in the management of the beneficiary's specific medical problem. (Nonphysician practitioners may order tests as set forth in CFR 410.32(a)(3).)

The order must specify the diagnosis or other basis for the testing. The supervising physician for the IDTF may not order tests to be performed by the IDTF, unless the IDTF's supervising physician is in fact the beneficiary's treating physician. That is, the physician in question had a relationship with the beneficiary prior to the performance of the testing and is treating the beneficiary for a specific medical problem. The IDTF may not add any procedures based on internal protocols without a written order from the treating physician.

30 - Diagnostic Tests Subject to the Anti-Markup Payment Limitation

(Rev. 3255, Issued: 05-08-15, Effective: 10-01-15, Implementation: 10-05-15)

In most instances, physicians working for an IDTF do not order diagnostic tests because such tests are generally ordered by the patient’s treating physician. If a physician working for an IDTF does not order a diagnostic test, the test is not subject to the anti-markup payment limitation. However, if a physician working for an IDTF (or a physician financially related to the IDTF through common ownership or control) orders a diagnostic test payable under the Medicare Physician Fee Schedule (MPFS), the anti-markup payment limitation may apply (depending on whether the performing physician or other supplier meets the “sharing a practice” requirements). For additional information, see Pub. 100-04, chapter 1, §30.2.9.

If a physician working for an IDTF (or a physician financially related to the IDTF through common ownership or control) orders and the IDTF bills for a diagnostic test that

is performed by another physician or supplier, the performing physician or other supplier must be enrolled in the Medicare program. No formal reassignment is necessary; however, reassigned diagnostic testing services may also be subject to the anti-markup payment limitation.

The billing entity must report using the ASC X12 837 professional claim format or on the Form CMS-1500 the name, NPI, and address of the performing physician or other supplier. The acquisition price of the either the TC or PC of the diagnostic test must also be reported on the claim.

Effective for claims with dates of service on or after January 25, 2005, A/B MACs (B) must accept and process claims for diagnostic tests subject to the anti-markup payment limitation billed by suppliers (including laboratories, physicians, and independent diagnostic testing facilities [IDTFs]) enrolled in the A/B MAC's (B) jurisdiction, for services furnished anywhere in the United States. For services furnished outside the A/B MAC (B) jurisdiction in which the billing entity is enrolled, the billing entity must submit its own NPI with the name, address, and ZIP code of the performing physician or other supplier in the appropriate data field. (The billing physician or other supplier should maintain a record of the performing physician or other supplier's NPI in the clinical record for auditing purposes.) Effective April 1, 2005, A/B MACs (B) must price claims for diagnostic tests that are subject to the anti-markup payment limitation based on the ZIP Code of the location where the service was rendered, using a CMS-supplied abstract file containing the HCPCS codes that are payable under the MPFS as an anti-markup test for the calendar year. (See Pub. 100-04, chapter 23, §30.6 and Addendum for record layouts and instructions for downloading the Abstract File for Purchased Diagnostic Tests/Interpretations.) A/B MACs (B) must pay the lesser of: (a) the net acquisition price, (b) the billing entity's actual charge, or (c) the fee schedule amount as if the test was billed by the performing supplier.

Effective for claims submitted with a receipt date on and after October 1, 2015, the billing physician or supplier must report the name, address, and NPI of the performing physician or supplier in Item 32a on anti-markup and reference laboratory claims, even if the performing physician or supplier is enrolled in a different A/B MAC (B) jurisdiction. See Pub. 100-04, Chapter 1, §10.1.1 for more information regarding claims filing jurisdiction.

NOTE: As with all services payable under the MPFS, the ZIP Code is used to determine the appropriate payment locality and corresponding fee that is used to price the service that is subject to the anti-markup payment limitation. When a ZIP Code crosses county lines, CMS uses the dominant locality to determine the corresponding fee.

30.1 - National Provider Identification (NPI) Reported on Claims

(Rev. 2994; Issued: 07-25-14; Effective: 01-01-12; Implementation: 08-25-14)

Effective for dates of service May 23, 2008 and later, IDTF's must submit the NPI assigned to the ordering physician using the ASC X12 837 professional claim format or, for paper claims, on the Form CMS-1500.

40 - Interpretations Performed Off the Premises of the IDTF

(Rev. 1987, Issued: 06-11-10, Effective: 08-12-10, Implementation: 08-12-10)

If an IDTF wants to bill for an interpretation performed by an independent practitioner off the premises of the IDTF, the IDTF must meet the conditions shown in IOM Pub. 100-04, Chapter 1, §30.2.9.

50 - Therapeutic Procedures

(Rev. 1506; Issued: 05-16-08; Effective/Implementation Date: 06-16-08)

An IDTF shall not be allowed to bill for any CPT or HCPCS codes that are solely therapeutic.

Transmittals Issued for this Chapter

Rev #	Issue Date	Subject	Impl Date	CR#
R4071CP	06/08/2018	Update of Internet Only Manual (IOM), Medicare Claims Processing Manual, Publication 100-04, Chapter 18- Preventive and Screening Services, and Chapter 35 - Independent Diagnostic Testing Facility (IDTF)	07/09/2018	10735
R3255CP	05/08/2015	Correction to the Multi-Carrier System (MCS) Editing on the Service Location National Provider Identifier (NPI) Reported for Anti-Markup and Reference Laboratory Claims	10/05/2015	9150
R3103CP	11/03/2014	Reporting the Service Location National Provider Identifier (NPI) on Anti-Markup and Reference Laboratory Claims	04/06/2015	8806
R3098CP	10/21/2014	Reporting the Service Location National Provider Identifier (NPI) on Anti-Markup and Reference Laboratory Claims – Rescinded and replaced by Transmittal 3103	04/05/2014	8806
R3047CP	08/22/2014	Reporting the Service Location National Provider Identifier (NPI) on Anti-Markup and Reference Laboratory Claims – Rescinded and replaced by Transmittal 3098	01/05/2014	8806
R2994CP	07/25/2014	Update to Pub. 100-04, Chapter 35 to Provide Language-Only Changes for Updating ASC X12	08/25/2014	8769
R1987CP	06/11/2010	Correction to the Claims Processing Internet Only Manual (IOM) to Reinstate Previous Instructions Regarding Payment Jurisdiction for Reassigned Services	08/12/2010	6923
R1931CP	03/12/2010	Revision of the Internet Only Manual (IOM) to Remove References to “Purchased Diagnostic Test” and Replace With Language Consistent With the Anti-Markup Rule	06/14/2010	6627
R1504CP	05/15/2008	New Chapter for Independent Diagnostic Testing Facilities (IDTF)	06/16/2008	5815

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