CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-04 Medicare Claims Processing	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 1829	**Date: October 16, 2009**
	Change Request 6673

SUBJECT: Annual Clotting Factor Furnishing Fee Update

I. SUMMARY OF CHANGES: This annually recurring CR announces the update to the Clotting Factor Furnishing Fee and applies to Chapter 17, section 80.4.1 of the Internet Only Manual.

New / Revised Material
Effective Date: January 1, 2010
Implementation Date: January 4, 2010

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:
SECTION A: For Fiscal Intermediaries and Carriers:
No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

SECTION B: 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:

Manual Instruction

Recurring Update Notification

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

Attachment – Recurring Update Notification

Pub. 100-04	Transmittal: 1829	Date: October 16, 2009	Change Request: 6673

SUBJECT: Annual Clotting Factor Furnishing Fee Update

Effective Date: January 1, 2010
Implementation Date: January 4, 2010

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 blood clotting factor.

B. Policy:

The Center for Medicare and 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 2010, the clotting factor furnishing fee of $0.170 per I.U. 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.

Previously, CMS included the clotting factor furnishing fee in the payment limit for HCPCS code J7197 “Antithrombin III (human), per I.U.”. This code does not describe a clotting factor, and therefore the payment limit for it shall not include the clotting factor furnishing fee. This is reflected in CR 6402 effective July 1, 2009, when CMS developed a new ASP pricing file format to include a specific column indicating the HCPCS codes determined to be clotting factors. This notice is further clarification that the payment limit for J7197 does not include the clotting factor furnishing fee.

II. BUSINESS REQUIREMENTS TABLE

Use“Shall" to denote a mandatory requirement

Number	Requirement	Responsibility (place an “X” in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
6673.1	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	X		X	X	X					

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
	clotting factor is not included on the ASP or NOC files.										
6673.1.2	For dates of service January 1, 2010, through December 31, 2010, the clotting factor furnishing fee of $0.170 per I.U. is added to the payment limit for the clotting factor.	X		X	X	X					
6673.2	Contractors shall not make separate payment for the clotting factor furnishing fee for HCPCS code J7197 "Antithrombin III (human), per I.U."	X		X	X	X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
6673.3	A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X		X	X	X					

IV. SUPPORTING INFORMATION

Section A: for any recommendations and supporting information associated with listed requirements, use the box below: NA

Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: For all other recommendations and supporting information, use this space: N/A

V. CONTACTS

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VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs), Carriers, and Regional Home Health Carriers (RHHIs)* use only one of the following statements:

No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

Section B: *For Medicare Administrative Contractors (MACs)*, use the following statement:

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.

80.4.1 – Clotting Factor Furnishing Fee

(Rev. 1829; Issued: 10-16-09; Effective Date: 01-01-10; Implementation Date: 01-04-10)

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 I.U.
CY 2006 - $0.146 per I.U.
CY 2007 - $0.152 per I.U.
CY 2008 - $0.158 per I.U.
CY 2009 - $0.164 per I.U.
CY 2010 - $0.170 per I.U.

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.