CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1922	**Date: February 19, 2010**
	Change Request 6805

SUBJECT: July 2010 Quarterly Average Sales Price (ASP) Medicare Part B Drug Pricing Files and Revisions to Prior Quarterly Pricing Files

I. SUMMARY OF CHANGES: The ASP methodology is based on quarterly data submitted to CMS by manufacturers. CMS will supply contractors with the ASP and not otherwise classified (NOC) drug pricing files for Medicare Part B drugs on a quarterly basis. Payment allowance limits under the OPPS are incorporated into the Outpatient Code Editor (OCE) through separate instructions.

EFFECTIVE DATE: July 1, 2010
IMPLEMENTATION DATE: July 6, 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
N/A	

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:

Recurring Update Notification

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

Attachment – Recurring Update Notification

Pub. 100-04	Transmittal: 1922	Date: February 19, 2010	Change Request 6805

SUBJECT: July 2010 Quarterly Average Sales Price (ASP) Medicare Part B Drug Pricing Files and Revisions to Prior Quarterly Pricing Files

Effective Date: July 1, 2010

Implementation Date: July 6, 2010

I. GENERAL INFORMATION

A. Background:

The ASP methodology is based on quarterly data submitted to CMS by manufacturers. CMS will supply contractors with the ASP and not otherwise classified (NOC) drug pricing files for Medicare Part B drugs on a quarterly basis. Payment allowance limits under the OPPS are incorporated into the Outpatient Code Editor (OCE) through separate instructions.

B. Policy:

Quarterly Payment Files
This Recurring Update addresses the following pricing files:

Files	Effective for Dates of Service
July 2010 ASP and ASP NOC files	July 1, 2010, through September 30, 2010
April 2010 ASP and ASP NOC files	April 1, 2010, through June 30, 2010
January 2010 ASP and ASP NOC files	January 1, 2010, through March 31, 2010
October 2009 ASP and ASP NOC files	October 1, 2009, through December 31, 2009
July 2009 ASP and ASP NOC files	July 1, 2009, through September 30, 2009

II. BUSINESS REQUIREMENTS TABLE

Number	Requirement	Responsibility									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
6805.1	The July 2010 and, if released, the revised April 2010, January 2010, October 2009, and July 2009 ASP drug pricing files for Medicare Part B drugs will be available via the CMS Data Center (CDC).	X	X	X	X	X	X		X		

Number	Requirement	Responsibility									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
6805.1.1	Contractors shall download the July 2010 ASP drug pricing file through the CDC on or after June 18, 2010. Final File: MU00.@BF12390.ASP.R2.CY10.JUL.L.V0618	X	X	X	X	X	X		X		
6805.1.1.1	Contractors shall retrieve the July 2010 ASP NOC pricing file from the CMS ASP webpage on or after June 18, 2010.	X	X		X	X					
6805.1.1.2	Contractors shall use the July 2010 ASP and NOC drug pricing files to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after July 6, 2010 with dates of service July 1, 2010, through September 30, 2010.	X	X		X	X	X		X		
6805.1.1.3	Contractors shall use the July 2010 ASP drug pricing file to update the drug payment limits for claims for infusion drugs furnished through a covered item of DME processed or reprocessed on or after July 6, 2010 with dates of service on or after July 1, 2010.	X	X		X				X		
6805.1.2	If released by CMS, contractors shall download the revised April 2010 ASP drug pricing file through the CDC on or after June 18, 2010. Final File: MU00.@BF12390.ASP.R2.CY10.APR.L.V0618	X	X	X	X	X	X		X		
6805.1.2.1	If released by CMS, contractors shall overlay or manually update the previous April 2010 file with the new April 2010 ASP drug pricing file.	X	X	X	X	X	X		X		
6805.1.2.2	If released by CMS, contractors shall use the revised April 2010 ASP drug pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after July 6, 2010 with dates of service April 1, 2010, through June 30, 2010.	X	X	X	X	X	X		X		

Number	Requirement	Responsibility									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
6805.1.2.3	If released by CMS, contractors shall retrieve the revised April 2010 ASP NOC pricing file from the CMS ASP webpage on or after June 18, 2010.	X	X		X	X					
6805.1.2.4	If released by CMS, contractors shall use the revised April 2010 ASP NOC pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after July 6, 2010 with dates of service April 1, 2010, through June 30, 2010.	X	X		X	X	X		X		
6805.1.3	If released by CMS, contractors shall download the revised January 2010 ASP drug pricing file through the CDC on or after June 18, 2010. Final File: MU00.@BF12390.ASP.R2.CY10.JAN.L.V0618	X	X	X	X	X	X		X		
6805.1.3.1	If released by CMS, contractors shall overlay or manually update the previous January 2010 file with the new January 2010 ASP drug pricing file.	X	X	X	X	X	X		X		
6805.1.3.2	If released by CMS, contractors shall use the revised January 2010 ASP drug pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after July 6, 2010 with dates of service January 1, 2010, through March 31, 2010.	X	X	X	X	X	X		X		
6805.1.3.3	If released by CMS, contractors shall retrieve the revised January 2010 ASP NOC pricing file from the CMS ASP webpage on or after June 18, 2010.	X	X		X	X					
6805.1.3.4	If released by CMS, contractors shall use the revised January 2010 ASP NOC pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after July 6, 2010 with dates of service January 1, 2010, through March 31, 2010.	X	X		X	X	X		X		

Number	Requirement	Responsibility									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
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6805.1.4	If released by CMS, contractors shall download the revised October 2009 ASP drug pricing file through the CDC on or after June 18, 2010. Final File: MU00.@BF12390.ASP.CY09.OCT.L.V0618	X	X	X	X	X	X		X		
6805.1.4.1	If released by CMS, contractors shall overlay or manually update the previous October 2009 file with the new October 2009 ASP drug pricing file.	X	X	X	X	X	X		X		
6805.1.4.2	If released by CMS, contractors shall use the revised October 2009 ASP drug pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after July 6, 2010 with dates of service October 1, 2009, through December 31, 2009.	X	X	X	X	X	X		X		
6805.1.4.3	If released by CMS, contractors shall retrieve the revised October 2009 ASP NOC pricing file from the CMS ASP webpage on or after June 18, 2010.	X	X		X	X					
6805.1.4.4	If released by CMS, contractors shall use the revised October 2009 ASP NOC pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after July 6, 2010 with dates of service October 1, 2009, through December 31, 2009.	X	X		X	X	X		X		
6805.1.5	If released by CMS, contractors shall download the revised July 2009 ASP drug pricing file through the CDC on or after June 18, 2010. Final File: MU00.@BF12390.ASP.R2.CY09.JUL.L.V0618	X	X	X	X	X	X		X		
6805.1.5.1	If released by CMS, contractors shall overlay or manually update the previous July 2009 file with the new July 2009 ASP drug pricing file.	X	X	X	X	X	X		X		
6805.1.5.2	If released by CMS, contractors shall use the	X	X	X	X	X	X		X		

Number	Requirement	Responsibility									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
	revised July 2009 ASP drug pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after July 6, 2010 with dates of service July 1, 2009, through September 30, 2009.										
6805.1.5.3	If released by CMS, contractors shall retrieve the revised July 2009 ASP NOC pricing file from the CMS ASP webpage on or after June 18, 2010.	X	X		X	X					
6805.1.5.4	If released by CMS, contractors shall use the revised July 2009 ASP NOC pricing file to determine the payment limit for claims for separately payable Medicare Part B drugs processed or reprocessed on or after July 6, 2010 with dates of service July 1, 2009, through September 30, 2009.	X	X		X	X	X		X		
6805.2	Contractors shall not search and adjust claims that have already been processed unless brought to their attention.	X	X	X	X	X	X		X		
6805.3	Notification of successful receipt shall be sent via e-email to price_file_receipt@cms.hhs.gov stating the name of the file received and the entity for which it was received (e.g., carrier/DME MAC/fiscal intermediary name and number).	X	X	X	X	X	X		X		
6805.4	The ASP and NOC drug pricing files will contain the applicable payment allowance limits (i.e., 106% ASP, 106% WAC, or 95% AWP); therefore, Medicare contractors shall not make any additional payment calculations.	X	X	X	X	X	X		X		
6805.5	For any drug or biological not listed in the ASP or NOC drug pricing files, contractors shall determine the payment allowance limits in accordance with the policy described in the Medicare Claims Processing Manual, Chapter 17, Section 20.1.3, and JSM-06391.	X	X	X	X	X	X		X		
6805.5.1	FIs should seek payment allowances not on the ASP file from their local carrier for drugs	X		X		X					

Number	Requirement	Responsibility									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
	and biologicals.										
6805.6	Contractors shall use the most current version available of the Medicare Contractor Reporting Template for Part B drugs to report information on Medicare Part B drugs not paid on a cost or prospective payment basis when payment limits are not listed in the quarterly drug pricing ASP and NOC files, or in the OPPS Pricer.	X	X	X	X	X					
6805.6.1	Contractors shall use the template to report pricing information for the NOC drugs not included on the Medicare Part B NOC pricing file, any HCPCS drug codes not on the ASP file, and OPPS drugs not in the OPPS Pricer.	X	X	X	X	X					
6805.6.2	Contractors shall list all drugs that were priced since the last submitted report.	X	X	X	X	X					
6805.6.3	Contractors shall list each drug priced on the report only once.	X	X	X	X	X					
6805.6.4	For compounded drugs, contractors shall report the name of each drug in the compounded product.	X	X	X	X	X					
6805.6.5	Contractors shall prepare and submit the reports so that each report covers approximately 30 days of pricing activity.	X	X	X	X	X					
6805.6.6	Contractors shall report drugs omitted from previous reports in the next report.	X	X	X	X	X					
6805.6.7	Contractors shall complete the report in its entirety.	X	X	X	X	X					
6805.6.8	Contractors do not need to report radiopharmaceuticals.	X			X						
6805.6.9	FIs shall report pricing information for drugs, biologicals, and radiopharmaceuticals that are billed using C9399.	X		X		X					
6805.6.10	Contractors shall download the most current version available of the template from the CMS Web site at http://www.cms.hhs.gov/McrPartBDrugAvgSalesPrice/01_overview.asp#TopOfPage.	X	X	X	X	X					
6805.6.11	Contractors shall complete the template on a monthly basis.	X	X	X	X	X					

Number	Requirement	Responsibility									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
6805.6.12	The template shall be in MS Excel format.	X	X	X	X	X					
6805.6.13	Contractors shall send the completed template to sec303aspdata@cms.hhs.gov on the first business day of the month.	X	X	X	X	X					
6805.6.14	If the contractor has not priced any drugs since the last submitted report, in lieu of using the template, the contractor shall send an email to Sec303aspdata@cms.hhs.gov stating that the contractor has no drug pricing to report.	X	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	
6805.7	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	X					

IV. SUPPORTING INFORMATION

A. Recommendations and supporting information associated with listed requirements:

X-Ref Requirement Number	Recommendations or other supporting information:
	N/A

B. All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Glenn McGuirk, Glenn.McGuirk@cms.hhs.gov

Post-Implementation Contact(s): Bonny Dahm, Bonny.Dahm@cms.hhs.gov

VI. FUNDING

A: ***For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and/or Carriers:***
No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

B. ***For Medicare Administrative Contractors (MAC)*****:**
The Medicare Administrative Contractor (MAC) is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as changes to the MAC Statement of Work (SOW). The contractor is not obligated to incur costs in excess of the amounts specified 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.