



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

Related CR Release Date: May 4, 2023

MLN Matters Number: MM13195

Effective Date: July 1, 2023

Related Change Request (CR) Number: [CR 13195](#)

Implementation Date: July 3, 2023

Related CR Transmittal Number: R12021CP

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

Affected Providers

- Laboratories
- Other providers billing Medicare Administrative Contractors (MACs) for laboratory services they provide to Medicare patients

Action Needed

Make sure your billing staff knows about:

- Expiration of the COVID-19 Public Health Emergency (PHE)
- Next CLFS data reporting period
- General specimen collection fee increase
- New and discontinued HCPCS codes

Background

CR 13195 gives instructions for the quarterly update of the CLFS.

COVID-19 PHE Ends Effective May 11, 2023.

HCPCS codes G2023, G2024, U0003, U0004, and U0005 are terminated and aren't payable for dates of service on or after May 12, 2023.

DELAYED - The Next CLFS Data Reporting Period for Clinical Diagnostic Laboratory Tests (CDLTs) is DELAYED until January 1 - March 31, 2024

Section 4114 of the [Consolidated Appropriations Act, 2023](#) revised the next data reporting period for CDLTs that aren't Advanced Diagnostic Laboratory Tests (ADLTs) and the phase-in of payment reductions under the Medicare private payor rate-based CLFS. The next data

reporting period of January 1 - March 31, 2024, will be based on the original data collection period of January 1 - June 30, 2019. After the next data reporting period, there's a 3-year data reporting cycle for CDLTs that aren't ADLTs (in other words, 2027, 2030, and so on).

Section 216(a) of the [Protecting Access to Medicare Act of 2014](#) (PAMA) required significant changes to how Medicare pays for CDLTs under the CLFS. On December 10, 2021, the [Protecting Medicare and American Farmers from Sequester Cuts Act \(S. 610\)](#) delayed the reporting requirement and the application of the 15% phase-in reduction.

Under the [CLFS final rule](#), reporting entities must give CMS certain private payor rate information for their component applicable laboratories. The data collection period was from January 1 - June 30, 2019. The data collection period is where a laboratory gets applicable information from claims for which the laboratory got final payment during the period.

The statutory phase-in of payment reductions resulting from private payor rate implementation is extended through CY 2026. There's a 0.0% reduction for CYs 2021, 2022, and 2023 and we won't reduce payment more than 15% for CYs 2024 through 2026.

CY 2023 Medicare Physician Fee Schedule (MPFS) Final Rule:

We issued a [final rule](#) with updates and policy changes for Medicare payments under the MPFS, and other Medicare Part B issues, effective on or after January 1, 2023. CLFS updates and policy changes include:

- **Specimen Collection Policy:** We finalized an increase to the nominal fee for specimen collection based on the Consumer Price Index for all Urban Consumers (CPI-U).
 - The general specimen collection fee will increase from \$3 to \$8.57 for CY 2023.
 - Specimen collections from a Medicare patient in a skilled nursing facility (SNF) or by a laboratory on behalf of a home health agency (HHA) increases by \$2, which results in a \$10.57 specimen collection fee for those patients. We finalized a policy to update this fee amount annually by the percent change in the CPI-U. We also finalized our proposals to codify and clarify various laboratory specimen collection fee policies in [42 CFR 414.523\(a\)\(1\)](#).
- **Travel Allowance Policy:** We make certain modifications and clarifications to the Medicare CLFS travel allowance policies. Specifically, we finalized to include in our regulations the following requirements for the travel allowance methodology:
 - A general requirement
 - Travel allowance basis requirements
 - Travel allowance amount requirements

MLN Matters Article [MM13071](#) has more details.

Advanced Diagnostic Laboratory Tests (ADLTs) - Refer to the [CMS CLFS website](#) for information regarding these tests.

New Codes Effective July 1, 2023

Proprietary Laboratory Analysis (PLA)

See the New Codes tab of the [table](#) attached to CR 13195, Tab New Codes Effective 07-01-2023. We added the listed new codes to the national HCPCS file with an effective date of July 1, 2023. These new codes are MAC priced (where applicable) until they're nationally priced. MACs will only price PLA codes for laboratories in their jurisdiction. The table includes the laboratory, long descriptor, short descriptor, and Type of Service of each new code.

Deleted Codes Effective July 1, 2023

See the table attached to CR 13195, Tab **Delete Codes Eff. 07-01-2023**. We're deleting the listed codes as of July 1, 2023. The table includes the code, long descriptor, and delete date of the code.

Note: Your MAC won't search their files to either retract payment or retroactively pay claims. They should adjust claims you bring to their attention.

More Information

We issued CR 13195 to your MAC as the official instruction for this change.

For more information, [find your MAC's website](#).

Document History

Date of Change	Description
May 4, 2023	Initial article released.

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