



## Chimeric Antigen Receptor (CAR) T-Cell Therapy Revenue Code and HCPCS Setup Revisions

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### PROVIDER TYPE AFFECTED

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This MLN Matters Article is for physicians and providers, especially hospital outpatient departments (HOPDs), billing Medicare Administrative Contractors (MACs) for Chimeric Antigen Receptor (CAR) T-Cell Therapy services provided to Medicare patients.

### PROVIDER ACTION NEEDED

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On March 15, 2019, the Centers for Medicare & Medicaid Services (CMS) issued instructions for CAR T-Cell Therapy. MLN Matters Special Edition (SE) article SE19009 replaces those instructions. Please make sure your billing staffs are aware of these updated instructions.

### BACKGROUND

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CAR T-cell therapy is a cell-based gene therapy in which T-cells are collected and genetically engineered to express a chimeric antigen receptor that binds to a certain protein on a patient's cancerous cells. The CAR T-cells are then administered to the beneficiary to attack certain cancerous cells and the individual is observed for potential serious side effects that require medical intervention if present.

In the Calendar Year (CY) 2019 Outpatient Prospective Payment System (OPPS)/Ambulatory Surgical Center (ASC) final rule, CMS continues OPPS pass-through payment status for CAR T-cell therapy HCPCS codes Q2041 (Yescarta®) and Q2042 (Kymriah®). The OPPS pass-through payment rate is determined by following the standard Average Sales Price (ASP) methodology, updated on a quarterly basis if applicable information indicates that adjustments to the payment rates are necessary.

Effective January 1, 2019, HOPDs may report CPT codes 0537T, 0538T, and 0539T to allow tracking of these services when furnished in the outpatient setting. Medicare will reject these

lines as Medicare does not pay for these services under the OPPS.

For claims submitted on or after April 1, 2019, hospitals may report the CAR T-cell-related revenue codes 087X (Cell/Gene Therapy) and 089X (Pharmacy) established by the National Uniform Billing Committee (NUBC). When billing charges separately for tracking these services when furnished in the outpatient setting, providers must submit:

- HCPCS 0537T with revenue code 0871
- HCPCS 0538T with revenue code 0872
- HCPCS 0539T with revenue code 0873

Remember that Medicare pays for the administration of CAR T-cells in the hospital outpatient setting separately under CPT code 0540T with Revenue Code 0874, which is assigned status indicator “S”.

Medicare payment for the various steps required to collect and prepare CAR-T is included in payment for the biological. You may choose to include the charges for these various steps in the charge submitted for the biological or report these charges separately for tracking purposes.

**Note:** Do not report the same charge(s) twice. Providers should choose one option listed above. You **must not** include charges for pre-infusion steps in both the drug revenue code (0891) and separately listed for the pre-infusion revenue codes (0871, 0872, and 0873).

These following scenarios present further clarification on how to report items and services related to CAR-T in various clinical scenarios.

#### **Scenario 1: CAR-T Dosing and Preparation Services and Viable T-cells Administered in Hospital Outpatient Setting:**

In instances when you administer the CAR-T drug in the hospital outpatient setting, report CPT code 0540T for the administration and HCPCS Q-code Q2041 or Q2042 for the drug/biological. In the CY 2019 OPSS/ASC final rule (83 FR 58904), the procedures described by CPT codes 0537T (collection/handling), 0538T (preparation for transport), and 0539T (receipt and preparation) represent the various steps required to collect and prepare the genetically modified T-cells, and these steps are not paid separately under the OPSS.

However, you may report the charges for these various steps to collect and prepare the CAR T-cells separately and Medicare will reject them on the outpatient claim, or they may be included in the charge reported for the biological.

**Note:** When including the charges for collection and preparation of the CAR T-cells in the charge for the CAR-T product, outpatient providers should code the CAR-T product service on the date that the CAR-T administration took place and not on the date when the cells were collected.

**Scenario 2: CAR-T Dosing and Preparation Services Administered in Hospital Outpatient Setting, but Viable T-cells Not Administered:**

In instances when the CAR-T drug is not ultimately administered to the beneficiary, but the CAR-T preparation services are initiated or performed in the HOPD facility, the hospital may not report the drug Q-code (which only applies when the T-cells are administered in the HOPD setting). HOPDs may report CPT codes 0537T, 0538T, and 0539T (as appropriate) and the charges associated with each code under the appropriate revenue code on the HOPD claim. Medicare will reject these codes.

**Scenario 3: CAR-T Dosing and Preparation Services Administered in Hospital Outpatient Setting, but Viable T-cells Administered in the Hospital Inpatient Setting:**

When CAR T-cell preparation services are initiated and furnished in the hospital outpatient setting, but the CAR T-cells are administered in the inpatient setting, the hospital may not report the drug Q-code (which only applies when the T-cells are administered in the HOPD setting). Report the charge associated with the various steps to collect and prepare the CAR T-cells on the inpatient claim (Type of Bill 11x) separately using revenue codes 0871, 0872, or 0873. Instead, the hospital may include the charges for these various steps in the charge reported for the biological using revenue code 0891 – Special Processed Drugs – FDA (U.S. Food and Drug Administration) Approved Cell Therapy – Charges for Modified cell therapy.

**Note:** When the cells are collected in the hospital outpatient setting and the CAR-T is administered in the hospital inpatient setting, inpatient providers should report the data that the CAR-T administration took place and not the date the cells were collected.

**ADDITIONAL INFORMATION**

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See MLN Matters Article [MM12177](#) for more current information on CAR T-Cell Therapy services.

If you have questions, your MACs may have more information. Find their website at <http://go.cms.gov/MAC-website-list>.

## DOCUMENT HISTORY

Date of Change	Description
March 17, 2022	We revised this Article to add a link to <a href="#">MM12177</a> which states that effective for claims with dates of service on or after August 7, 2019, CMS covers autologous treatment for cancer with T-cells expressing at least 1 CAR when administered at health care facilities enrolled in the FDA Risk Evaluation and Mitigation Strategies (REMS). All other information is unchanged.
May 28, 2019	Initial article released.

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