



**News Flash** - The Office of the Inspector General in the Department of Health and Human Services has issued a policy statement that assures Medicare providers, practitioners, and suppliers affected by retroactive increases in payment rates under the Medicare Improvements for Patients and Providers Act (MIPPA) of 2008 that they will not be subject to OIG administrative sanctions if they waive retroactive beneficiary cost-sharing amounts attributable to those increased payment rates, subject to the conditions noted in the policy statement. To view the document, go to [http://oig.hhs.gov/fraud/docs/alertsandbulletins/2008/MIPPA\\_Policy\\_Statement.PDF](http://oig.hhs.gov/fraud/docs/alertsandbulletins/2008/MIPPA_Policy_Statement.PDF) on the Internet.

MLN Matters Number: MM6042

Related Change Request (CR) #: 6042

Related CR Release Date: July 25, 2008

Effective Date: July 1, 2008

Related CR Transmittal #: R1561CP

Implementation Date: August 25, 2008

## Medicare Improvements for Patients and Providers Act of 2008 - Legislative Change to Independent Laboratory Billing for the Technical Component (TC) of Physician Pathology Services

### Provider Types Affected

Independent laboratories billing Medicare Carriers or Medicare Administrative Contractors (MACs) for services rendered to hospitalized Medicare beneficiaries.

### Impact on Providers

Qualifying independent laboratories may continue to bill Medicare directly for the TC of certain physician pathology services provided to patients as part of a covered hospital inpatient stay or outpatient hospital service, through December 31, 2009 regardless of the beneficiary's hospitalization status, in accordance with the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA).

CR6042 also instructs the carriers/MACs not to implement the business requirements of CR 5347 with respect to action for physician pathology services

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(See MLN Matters article, MM5347, at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5347.pdf> on the Centers for Medicare & Medicaid Services (CMS) website. (CR5347 prevents payment by a carrier for a TC of a pathology service rendered during an inpatient stay or for the same date of service (DOS) as an outpatient service. CR 6042 negates that directive to carriers/MACs.)

## Background

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As a result of MIPPA, CR6042 instructs the carriers/MACs to notify the independent laboratories that those that qualify to bill under the Section 542 of the Benefits Improvement and Protection Act of 2000 (BIPA)/Section 732 of the Medicare Modernization Act (MMA)/ Section 104 of the Tax Relief and Health Care Act of 2006 (TRHCA)/ Section 104 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) for the TC of the physician pathology services may continue to do so effective with DOS July 1, 2008 through December 31, 2009. This is an additional eighteen (18) months beyond the expiration date in the MMSEA.

## Additional Information

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To see the official instruction (CR6042) issued to your Medicare Carrier or A/B MAC visit <http://www.cms.hhs.gov/Transmittals/downloads/R1561CP.pdf> on the CMS website.

If you have questions, please contact your Medicare Carrier or A/B MAC at their toll-free number which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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