



DEPARTMENT OF HEALTH & HUMAN SERVICES
Health Care Financing Administration
Center for Medicaid and State Operations
7500 Security Boulevard
Baltimore, MD 21244-1850

April 7, 1998

Refer To DEEO1:

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**MEDICAID CLINICAL LABORATORY IMPROVEMENT
AMENDMENTS (CLIA) IMPLEMENTATION**

Dear State Medicaid Director:

PLEASE CONVEY TO MEDICAID CLAIMS PROCESSORS IMMEDIATELY!

In Medicaid CLIA Releases numbered 31 and 32 all Medicaid State Agencies (MSAs) were given the new CLIA MSA layout and instructions on the procedures to deny payments to laboratories submitting claims for services not covered by a CLIA certificate. This letter further clarifies instructions contained in CLIA releases and provides new procedures for implementing the CLIA program.

To provide States with the necessary data on a timely basis in order to operate the Medicaid program more efficiently, the Health Care Financing Administration (HCFA) has started using the Internet as a means to distribute pricing files. Initially, the files that can be accessed are:

1. the Clinical Lab Fee Schedule;
2. the Durable Medical Equipment, Prosthetics/Orthotics, and Supplies (DMEPOS) Fee Schedule; and,
3. the National Physician Fee Schedule Relative Value File.

All of these are listed under the heading Payment Rates - Non Institutional Providers on the Internet at: "<http://www.hcfa.gov/stats/pufiles.htm>" and were listed under Medicare.

Whenever updates are made to a file, the current Internet file is replaced. Providing the files on the Internet has met with such a positive response that HCFA

has decided to create and maintain a set of Medicaid CLIA related files, on the Internet, to support the CLIA initiative. In addition to the three previously mentioned files, other files to be placed on the Internet include the most up-to-date lists of waived tests, Provider-performed Microscopy Procedure (PPMP) tests, and a file that includes all tests that are subject to CLIA edits. A copy of the most recent Medicaid CLIA Releases numbered 31 and 32, as well as this one, will also be placed on the Internet. We invite you to advise us of any other files that could be placed on the Internet that would be useful to MSAs in support of the CLIA program.

MSAs are advised to access the Internet on a regular basis to determine if any of the files have been updated. The fee schedule files are usually updated in November or December. The waiver, PPMP, and tests required under CLIA edits are subject to change at any time. CLIA Releases are sent out as needed. Fewer CLIA Releases will be needed in the future since data files will be maintained on the Internet.

The address for the Medicaid CLIA data files on the Internet is at:
"<http://www.hcfa.gov/medicaid/clia/cliahmpg.htm>".

The waived and PPMP tests were recently revised therefore it would be advisable for MSAs to access the Internet and review and/or print these two files. When "Pending" is used on the Current Procedural Terminology (CPT) code waived list it signifies that until we receive all necessary information from the manufacturer, we are unable to determine the correct CPT code to use. We use the word "Pending" so that we are able to at least update the list with the name of the waived test and we will insert the CPT code once all information is received and the correct CPT code is determined. When an effective date is used it means that this code was effective in the Medicare Common Working File (CWF) as a waived test code as of that date. For service dates prior to that date, labs should use the appropriate HCFA Common Procedure Coding System (HOPOS) code noted in parentheses under the USE column.

Comments or questions may be directed to Medford J. Campbell, Jr. at (410) 786-4457.

/s/

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