

MEMORANDUM

To: Chief Financial Officers – All Hospitals

From: Dennis N. Phelps – Deputy Director-Audit & Compliance

Re: Update - Charging and Reporting Changes for High Throughput COVID-19 Laboratory Tests

Date: January 27, 2021

The purpose of this memorandum is to update HSCRC’s guidance on reporting and charging for High Throughput COVID-19 laboratory (LAB) tests.

Effective January 1, 2021, CMS decreased Medicare’s allowable reimbursement amount for COVID-19 tests run on high-throughput technology (U0003 & U0004) from \$100 to \$75. At the same time, a new add-on code (U0005) became effective, which allows the billing of Medicare for \$25 for tests run on high-throughput technology if certain requirements are met. Code U0005 can be billed with codes U0003 & U0004 if the LAB test is completed within 2 calendar days and the majority (51%) of U0003 & U0004 tests for the preceding month has been completed within 2 calendar days.

These changes are to be implemented as part of the statewide standardized tiered charges for COVID-19 testing based on Medicare’s allowable reimbursement amount.

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Attached to this memorandum is an updated list of COVID-19 LAB tests with allowed prices and established and recommended “By Report” RVUs.