PAMA – LESSONS LEARNED FROM 2017
Overview of Lessons Learned

△ Determine if you are an applicable laboratory
△ Understand the dates
△ Determine your data extraction process
△ Prepare for Submission
△ Prepare for Post-Submission
Do I have an applicable lab?

- Lab is CLIA certified
- Lab has an independent NPI, a physician NPI or bills TOB 14x as part of a hospital
- Receives >$12,500 from Medicare under the CLFS over a 6 month period

Source:  MLM Matters Number : MM11076 Calendar Year (CY) 2019 Annual Update for Clinical Laboratory Fee Schedule and Laboratory Services Subject to Reasonable Charge Payment
What are the important dates?

- **Xx – xx** (Qualification Period)
- **January 1 – June 30, 2019** (Collection Period for 2021)
- **January 1 – March 31, 2020** (Reporting Window Open)
- **March 31, 2021** (Deadline to submit)

**Note:** ADLTs require annual reporting

Source: [https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/PAMA-regulations.html](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/PAMA-regulations.html)
What data was needed for 2018?

The template consisted of 4 columns:

- HCPCS CODE (5-alpha numeric characters)
- PAYMENT RATE (1-5 numeric characters and two decimal places)
- VOLUME (1-6 numeric characters)
- NATIONAL PROVIDER IDENTIFIER (10 numeric characters)

Tips in preparing the extract

- Only need to pull on CLFS HCPCS codes
- Payment has the following elements:
  - First adjudication date falls within the date range
  - Payment includes Patient Responsibility, even if not paid (aka Allowed Amount)
- Volume includes only from commercial payors
  - Excludes Medicare Traditional and Medicare RR, Medicaid, State Medicaid, Client Bill, SelfPay, TriCare
How should I prepare for submission?

⚠️ Begin with the end in mind (pull to the upload dimensions)
  • Plan for the data elements
  • Plan for the exclusions/inclusions
  • Test extraction process

⚠️ Plan for Review time once the data is pulled

⚠️ QA – this can be difficult due:
  • Exclusion of tests codes
  • Exclusion of Insurance/Payors
  • Based on date of first claim “payment”, not full account resolution

⚠️ Log into the web portal so you know how (https://portal.cms.gov/)
What implications are there for me?

△ Penalty for failure to comply
   • $10k per day for non-compliance

△ Further reimbursement reductions (potential)
   • 2018 – 2020 can be up-to 30% reduction
   • 2021 – 2023 can be up to 5% per year (15% cumulative)

△ Prepare for continued lab efficiencies
   • Cost structure (e.g., supplier renegotiation)
   • Rationalize client relationships (e.g., Client P&L)
   • Look for opportunities to profitably expand business