

## PAMA Update and Delays Due to COVID

January 1, 2018, was the effective date of the new Clinical Laboratory Fee Schedule (CLFS), which was born from the 2014 Protecting Access to Medicare Act (PAMA). PAMA revised the methodology and calculations in which the CLFS (Clinical Lab Fee Schedule) reimbursement is determined each year moving forward. CMS required laboratories, including physician office laboratories, to submit private payor rate and volume data to PAMA. All laboratories that meet the qualifications below would need to report:

- 1) Have more than \$12,500 in Medicare revenues from laboratory services on the CLFS; and
- 2) Receive more than 50 percent of their Medicare revenues from laboratory and physician services during a data collection period.

Fast forward to 2020 and the COVID Pandemic. On March 27, 2020 the Trump administration signed the CARES Act into law which included new rules and temporary waivers, including PAMA. The CARES Act further delayed the reporting period by an additional year, meaning the schedule between January 1<sup>st</sup> and March 2021 has been delayed until January 1<sup>st</sup> and March 2022. However, the data collection period remained as January 1<sup>st</sup> to June 30, 2019.

The CARES Act also freezes the 2020 CMS CLFS through 2021. This means the reduction cap for 2021 is 0%, not the 15% reduction that was planned for 2021 through 2023. These reductions are now set for 2022 through 2024. This gives us a one year reprieve.

Below is the schedule published on the CMS website. It can also be found by [clicking here](#).

Year for CDLT Rates	Based on Data Collection Period	Based on Data Reporting Period	Reduction Cap
2020	January 1, 2016 – June 30, 2016	January 1, 2017 – May 30, 2017	10%
2021	January 1, 2016 – June 30, 2016	January 1, 2017 – May 30, 2017	0.0%
2022	January 1, 2016 – June 30, 2016	January 1, 2017 – March 31, 2017	15%
2023	January 1, 2019 – June 30, 2019	January 1, 2022 – March 31, 2022	15%
2024	January 1, 2019 – June 30, 2019	January 1, 2022 – March 21, 2022	15%
2025	January 1, 2019 – June 30, 2019	January 1, 2022 – March 31, 2022	0.0%

APS Medical Billing is always here to assist our clients as much as possible with the tools and resources necessary to follow rules and regulations like PAMA and many others. If you have any questions at all, please contact your APS Practice Manager.