

Dear HTC Colleagues

All of us recently received a letter from the American Society of Hematology on CMS' plan to place limits on the number of units of clotting factor replacement therapies that Medicare will reimburse on a given day. CMS and its contractor, the National Correct Coding Initiative (NCCI), reached out to ASH on a confidential basis to seek their input on the proposed limits, and in turn, ASH sought input from me as NHF's MASAC Chair and other hemophilia treaters.

The proposed limits, known as Medically Unlikely Edits or MUE's, will apply to clotting factor replacement therapies ONLY when they are provided in the hospital outpatient clinics and/or ambulatory/physician office settings. The initial edits were derived by CMS and its contractors by looking at claims data for the past six months. NCCI agreed to increase some of the edits based on the recommendations we provided to ASH. The limits are not made public, but NCCI told ASH that they are set at a level higher than any of the claims that Medicare received during the past year. I have learned that Medicare places edits like these on all types of services. Clotting factor was not singled out due to evidence of fraud or a secondary market.

Because we have raised concerns that an individual patient could exceed the limits due to an inhibitor or prophylaxis treatment, NCCI asked that ASH bring to their attention any denials that occur. The HTC should first appeal denials for clotting factor with their local Medicare contractor in the same manner that it would appeal a denial of any medically necessary services. Please let NHF and ASH know when you submit an appeal and we will contact the Medicare contractor, NCCI, which set the limits. The contact person for both ASH and NHF is Ms. Ellen Riker, NHF's Federal Policy Advisor, who can be reached at 202-484-1100 or eriker@dc-crd.com. NHF will work with ASH to notify NCCI, which expressed a willingness to re-evaluate the limits if a pattern of denials of medically necessary services occur.

Please let me know if you have any questions or concerns. MASAC will be discussing this issue at our upcoming meeting in May, 2012. We want to make certain that the MUE's will not interfere with or restrain us from what we consider to be the standard of care of our patients.

Sincerely,

Craig Kessler, MD