



Travel Allowance Fees for Specimen Collection: 2023 Updates

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Related CR Title: Clinical Laboratory Fee Schedule – Medicare Travel Allowance Fees for Collection of Specimens and New Updates for 2023

Affected Providers

- Laboratories
- Laboratory technicians
- Other providers billing Medicare Administrative Contractors (MACs) for specimen collection services for Medicare patients

Action Needed

Make sure your billing staffs knows about:

- Specimen collection fees and travel allowances for 2023
- Other policy updates and reminders

Background

Medicare Part B pays a specimen collection fee and travel allowance, when medically necessary, for a laboratory technician to draw a specimen from either a nursing home patient or homebound patient under Section 1833(h)(3) of the [Social Security Act](#) (the Act). CMS bases payment for these services on the clinical laboratory fee schedule (CLFS).

Specimen Collection Policy

We finalized an increase to the nominal fee for specimen collection based on the Consumer Price Index for all Urban Consumers (CPI-U). For CY 2023, the general specimen collection fee will increase from \$3 to \$8.57 and as required by Protecting Access to Medicare Act of 2014 (PAMA), we'll increase this by \$2.00 for those specimens you collect from a Medicare patient in a skilled nursing facility (SNF) or by a laboratory on behalf of a home health agency (HHA). This gives a \$10.57 specimen collection fee for those patients. We finalized a policy to update this fee amount annually by the percent change in the CPI-U.

Also, we're clarifying that to be eligible for a specimen collection fee, the specimen must be:

- Used to perform a Clinical Diagnostic Laboratory Test (CDLT) paid under the CLFS regulations at [42 CFR 414.523](#)
- Collected by a trained technician from a Medicare patient who's homebound or is a non-hospital inpatient, but only when no qualified personnel are available at the facility to collect the specimen
- Collected as a blood specimen through venipuncture or a urine sample collected by catheterization

A specimen collection fee isn't payable for any other specimen types, including blood samples where the cost of collecting the specimen is minimal (such as a throat culture or a routine capillary puncture for clotting or bleeding time). This fee won't be paid to anyone who didn't extract the specimen. We only allow 1 collection fee for each type of specimen for each patient encounter, regardless of the number of specimens drawn. If you draw different types or multiple specimens from 1 patient, only 1 specimen collection fee would be allowed. When a series of specimens is required to complete a single test (for example, glucose tolerance test), we treat the series as a single encounter.

The trained technician must personally draw the specimen. Medical necessity for such services exists where a trained technician draws a blood specimen from a homebound or an institutionalized patient. A patient doesn't need to be bedridden to be homebound.

The phrase "trained technician" refers to those staff providing specimen collection services. However, "trained technician" doesn't mandate certain educational requirements. For the purposes of the specimen collection provisions, the term includes a phlebotomist.

As a reminder, the HCPCS codes that describe specimen collection are:

- 36415 - Collection of venous blood by venipuncture
- G0471 - Collection of venous blood by venipuncture or urine sample by catheterization from an individual in a skilled nursing facility (SNF) or by a laboratory on behalf of a home health agency (HHA)
- P9612 - Catheterization for collection of specimen(s), (single patient), all places of services
- P9615 - Catheterization for collection of specimen(s), (multiple patients)

Travel Allowance Policy

We pay a travel allowance when we pay a specimen collection fee. Travel for simple pickup of specimens or for specimen collection that doesn't require the services of trained technicians isn't considered in the calculation of the travel allowance. This means that the travel allowance amount may be paid only if a specimen collection fee is also payable. For example, we'd pay no travel allowance if a trained technician merely performs a messenger service to pick up a specimen drawn by other technicians.

Only Medicare patients (including Medicare Advantage) should be considered in the calculation and payment of the travel allowance. Don't include non-Medicare patients in the calculation of the travel allowance.

Travel Allowance Eligible Miles

Eligible miles are those miles traveled that may be included in the calculation to decide the travel allowance amount. Eligible miles start at the laboratory or the starting point of the trained technician's travel for specimen collection and end at the laboratory or the ending point of the trained technician's travel for specimen collection.

Eligible miles don't include miles traveled for any purpose unrelated to specimen collection, such as collecting specimens from non-Medicare patients or for personal reasons.

As a reminder, effective January 1, 2022, we made permanent the option for laboratories to maintain electronic documentation of miles traveled for the purposes of covering the transportation and personnel expenses for trained technicians to travel to the location of an individual to collect a specimen sample. This option for laboratories to maintain electronic documentation applies to specimen collection for any CDLT. Laboratories need to be able to produce electronic documentation in a form and manner they can share with MACs and should continue to consult with their local MACs regarding the format and process for submission of this information if necessary.

Travel Allowance Mileage Rate

The Act requires the travel allowance to cover both the "transportation" and "personnel expenses" for trained personnel to travel to the location of an individual to collect a sample. The travel allowance mileage rate shows both of these components.

The "transportation" component of the travel allowance mileage rate equals the IRS standard mileage rate. The IRS updates and issues standard mileage rates on a periodic basis.

The "personnel expenses" component of the travel allowance mileage rate is the trained technician's personnel expenses based on a wages-per-mile amount.

Effective January 1, 2023, we use the latest wage data published in the Bureau of Labor Statistics (BLS)-defined category of phlebotomist to establish the personnel expense component of the travel allowance mileage rate.

We calculate a per-mile amount to derive the approximate number of miles traveled by the trained technician each hour by using an average driving speed. The average miles-per-hour driving speed is multiplied by the trained technician's estimated wages, as described above, and the result would be an amount that represents wages per mile, which are the personnel expenses associated with travel for specimen collection. We use an average driving speed of 40 miles per hour, as most of the travel related to specimen collection would be in local and residential areas.

Updates to the Travel Allowance Mileage Rate

The travel allowance mileage rate for CY 2023 is \$1.11, based on:

- The IRS standard mileage rate, which is \$0.655, plus
- The most recent median BLS-published hourly wage for phlebotomists, which is \$17.97 divided by 40 to represent an average miles-per-hour driving speed, which is \$0.45

Travel Allowance Bases: Flat-Rate and Per-Mile

We pay a travel allowance in 1 of 2 ways:

- Flat-rate travel allowance
- Per-mile travel allowance

Flat-Rate Travel Allowance

The flat-rate travel allowance basis applies when the trained technician travels 20 eligible miles or less to and from 1 location for specimen collection from 1 or more Medicare patients.

Laboratories bill Medicare using HCPCS code P9604 to get the flat-rate travel allowance amount, prorated by the number of patients for whom we pay a specimen collection fee. The flat-rate trip basis travel allowance of \$11.10.

Per-Mile Travel Allowance

The per-mile travel allowance basis applies in 2 circumstances:

- When the round-trip travel to 1 location is greater than 20 eligible miles for specimen collection from 1 or more patients
- When travel is to more than 1 location, regardless of the number of miles traveled.

Laboratories bill Medicare using HCPCS code P9603 to get the per-mile travel allowance amount, prorated by the number of patients for whom we pay a specimen collection fee.

Calculation: Flat-rate Travel Allowance Basis

For flat-rate travel allowance basis, the travel allowance amount calculation is the travel allowance mileage rate multiplied by 10 and divided by the number of patients for whom a specimen collection fee is paid.

Dividing by the number of patients makes sure that the flat-rate travel allowance amount is apportioned to each patient getting specimen collection services and that payment is calculated in an operationally feasible manner, as a laboratory must submit a claim for each patient to get the travel allowance. This allows for a fixed payment amount to be apportioned to the number of patients for whom a specimen collection fee is paid in a single location.

Calculation: Per-mile Travel Allowance Basis

The calculation for the per-mile travel allowance amount is equal the number of eligible miles multiplied by the travel allowance mileage rate, divided by the number of patients for whom we paid a specimen collection fee.

To calculate the per-mile travel allowance amount, the laboratory would first calculate the total number of eligible miles that the trained technician traveled.

The eligible miles would be multiplied by the travel allowance mileage rate, then divided by the number of patients for whom a specimen collection fee is paid. This quotient yields a prorated travel allowance amount for each patient. The laboratory then submits a claim billing HCPCS code P9603 for payment of the per-mile travel allowance amount for each patient for whom a specimen collection fee is paid.

More Information

Neither the annual deductible nor the 20% coinsurance for Medicare apply to the specimen collection or travel allowance amount for CDLTs.

Your MAC will adjust previously paid travel allowance claims with dates of service on or after January 1, 2023, in order to apply the updated payment rate. Your MAC will initiate those adjustments within 60 days, if claims are paid at the prior year's rates before their systems have the new rates.

We issued CR 13071 to your MAC as the official instruction for this change. CR 13071 has detailed examples that demonstrate each travel allowance method, especially when 2 or more patients get services on the same trip.

For more information, [find your MACs' website](#).

Document History

Date of Change	Description
January 9, 2023	Initial article released.

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