



Implementation of Changes in End-Stage Renal Disease (ESRD) Payment for Calendar Year (CY) 2010 – MIPPA Section 153 – JA6679

Related CR Release Date: October 30, 2009

Date Job Aid Revised: November 25, 2009

Effective Date: January 1, 2010

Implementation Date: January 4, 2010

Key Words MM6679, CR6679, R113BP, ESRD, Renal, Dialysis

Contractors Affected

- Fiscal Intermediaries (FIs)
- Part A/B Medicare Administrative Contractors (MACs)

Provider Types Affected Provider types affected are hospital-based and independent dialysis facilities submitting claims to Medicare FIs and MACs for ESRD services provided to Medicare beneficiaries.



Change Request (CR) 6679 provides payment updates for ESRD facilities for CY 2010.

- For CY 2010, the Centers for Medicare & Medicaid Services (CMS) updated the composite payment rates for ESRD facilities.
- Upon implementation of CR6679, the following changes will be applied to claims from hospital-based and independent dialysis facilities:

Provider Needs to Know...

- An update to the base composite payment rate with a 1 percent increase resulting in a base rate of \$135.15 for both hospital-based and independent renal dialysis facilities;
- An update to the drug add-on adjustment for CY 2010 to the composite payment rate of 15.0 percent;
- An update to the wage index adjustments to reflect the current wage data; and

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- A reduction in the wage index floor from 0.7000 to 0.6500.
 - Providers should note that the ESRD payment changes will be effective for services on or after January 1, 2010.
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Background

- Effective January 1, 2010, Section 153 of the Medicare Improvements for Patients and Providers Act of 2008 (MIPAA) amended Section 1881(b) (12) of the Social Security Act to require a 1 percent increase to the ESRD composite payment rate and that hospital-based dialysis facilities get paid the same composite payment rate as independent dialysis facilities.
 - In addition to the MIPPA changes, other changes include: an update to the drug add-on adjustment to the composite payment rate, an update to the wage index adjustments to reflect current wage data, including a revised budget neutrality adjustment, and a reduction in the wage index floor.
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Operational Impact N/A

Reference Materials

The related MLN Matters® article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6679.pdf> on the CMS website.

The official instruction (CR6679) issued regarding this change may be found at <http://www.cms.hhs.gov/Transmittals/downloads/R113BP.pdf> on the CMS website.

The fact sheet *Outpatient Maintenance Dialysis End-Stage Renal Disease* provides general information about outpatient maintenance dialysis for End-Stage Renal Disease, the composite payment rate system, and separately billable items and services. The fact sheet is available at <http://www.cms.hhs.gov/MLNProducts/downloads/ESRDpaymfctsh08-508.pdf> on the CMS website.
