



Related MLN Matters Article #: SE0406

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### *Clarification of Epoetin Alfa (EPO) Billing Procedures and Codes in ESRD Revised: 8/25/2004*

#### Key Words

SE0406, Clarification, Epoetin, Alfa, Billing Procedure, ESRD, Revenue Code, HCPCS, Composite Rate, Value Code, "Q" Codes, End Stage, Renal, Q4055, anemia, EPO

#### Provider Types Affected

Physicians, suppliers, and renal dialysis facilities (RDFs) caring for patients with End Stage Renal Disease (ESRD)

#### Key Points

- The Centers for Medicare & Medicaid Services (CMS) has assigned a new Health Care Common Procedure Coding System (HCPCS) code (Q4055) for EPO which is provided for EPO usage only.
- CMS has deleted all the current "Q" codes (Q9920 through Q9940) established for ESRD patients on EPO.
- All other rules still apply for billing EPO for ESRD related anemia.
- Intermediaries pay ESRD facilities for EPO as a separately billable drug to the composite rate.
- No additional payment is made to administer EPO, whether in a facility or a home. Medicare beneficiaries dialyzing from home may choose between two methods of payment.
- EPO payment is in addition to the composite rate.
- The following billing procedures are to be used for EPO administered in facilities:
  - EPO and the number of injections should be identified by:
    - Revenue Code 634: EPO administration of less than 10,000 units; and
    - Revenue Code 635: EPO administration of equal to or more than 10,000 units.

- The following value codes should be used for reporting Hemoglobin and Hematocrit readings:
  - Hemoglobin (Hgb) Reading: Value Code 48; and
  - Hematocrit (Hct) Reading: Value Code 49.
- Value code 68 should be used for reporting the number of EPO units administered during the billing period and HCPCS code Q4055 should be on the claim.
- Summarizing EPO, for dates of service on and after January 1, 2004, claims should include the following:
  - Bill Type = 721 (Clinic ESRD First Service to Last Service) or other bill type as applicable;
  - Revenue Code = 634 or 635 (according to units administered);
  - HCPCS Codes = Q4055 (Required);
  - Units = number of administrations (not to exceed 13 for a 30-day month or 14 for a 31-day month);
  - Value Codes = 48 (hemoglobin reading) or 49 (hematocrit reading);
  - Value Code = 68 (number of units of EPO administered) - Reimbursement remains the same at \$10.00 per 1,000 units. (Reference: CMS Pub. 100-4, Chapter 8, Section 60.4)
- Examples of billing procedures and codes for EPO are included in MLN Matters article SE0406, beginning on page 2.

## Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0406.pdf> on the CMS website.

Related instructions may be found at the following links:

- Change Request (CR) 2963, Transmittal 39, January 6, 2004 can be found at <http://www.cms.hhs.gov/transmittals/Downloads/R39OTN.pdf> on the CMS website.
- CR 3037; Transmittal 36, December 24, 2003 can be found at <http://www.cms.hhs.gov/transmittals/Downloads/R36OTN.pdf> on the CMS website.
- CR 2984, Transmittal 118, March 5, 2004 can be found at <http://www.cms.hhs.gov/transmittals/Downloads/R118CP.pdf> on the CMS website.