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Skilled Nursing Facility Consolidated Billing and Erythropoietin (EPO, Epoetin Alfa) and Darbepoetin Alfa (Aranesp)

Keywords

SE0434, Skilled, Nursing, SNF, Consolidated, Billing, CB, Erythropoietin, EPO, Epoetin, Alfa, Darbepoetin, Aranesp

Provider Types Affected

Skilled Nursing Facilities (SNFs), physicians, suppliers, end-stage renal disease (ESRD) facilities, and hospitals

Key Points

- MLN Matters Special Edition article SE0434 is an informational article that describes SNF Consolidated Billing (CB) as it applies to Erythropoietin (EPO, Epoetin Alfa) and Darbepoetin Alfa (Aranesp) and related services.
- The original Balanced Budget Act of 1997 list of exclusions from the prospective payment system (PPS) and consolidated billing (CB) for SNF Part A residents specified the services described in section 1861(s)(2)(O) of the Social Security Act—the Part B erythropoietin (EPO) benefit.
- Part B erythropoietin (EPO) benefit covers EPO and items related to its administration for those dialysis patients who can self-administer the drug subject to methods and standards established by the Secretary for its safe and effective use (see 42 CFR 405.2163(g) and (h)).
- Regulations at 42 CFR 414.335 describe payment for EPO and require that EPO be furnished by either a Medicare-approved ESRD facility or a supplier of home dialysis equipment and supplies.
- The amount that Medicare pays is established by law; therefore, the law and implementing regulations permit an SNF to unbundle the cost of the Epogen drug when it is furnished by an ESRD facility or an outside supplier, which can then bill for it under Part B.
- An SNF that elects to furnish EPO to a Part A resident itself cannot be separately reimbursed over and above the Part A SNF PPS per diem payment amount for the Epogen drug.

- Exclusion of EPO from CB and the SNF PPS applies only to those services that meet the requirements for coverage under the separate Part B EPO benefit, i.e., those services that are furnished and billed by an approved ESRD facility or an outside dialysis supplier.
- If the SNF itself elects to furnish EPO services (including furnishing the Epogen drug) to a resident during a covered Part A stay (either directly with its own resources, or under an “arrangement” with an outside supplier in which the SNF itself does the billing), the services are no longer considered Part B EPO services, but rather, become Part A SNF services.
- The service would no longer qualify for the exclusion of Part B EPO services from CB, and would instead be bundled into the PPS per diem payment that the SNF receives for its Part A services.
- EPO and Aranesp are not separately billable when provided as treatment for any illness other than ESRD. In this case, the SNF is responsible for reimbursing the supplier. The SNF should include the charges on the Part A bill filed for that beneficiary.
- The Part B coverage rules that apply to EPO are applied in the same manner to Aranesp.
- The following additional information is available:
 - MLN Matters Special Edition SE0431 includes a detailed overview of SNF CB. This article lists services excluded from SNF CB and can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0431.pdf> on the CMS website.
 - *Medicare Renal Dialysis Facility Manual*, Chapter II, Coverage of Services can be found at: http://www.cms.hhs.gov/manuals/downloads/pub_29.zip on the CMS website.
 - *Medicare Benefit Policy Manual*, Pub. 100-02, Chapter 11, End-Stage Renal Disease (ESRD) can be found at <http://www.cms.hhs.gov/manuals/Downloads/bp102c11.pdf> on the CMS website.
 - The CB Billing website can be found at <http://www.cms.hhs.gov/SNFConsolidatedBilling> on the CMS website.

Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0434.pdf> on the CMS website.