



MLN Matters[®]



Information for Medicare Fee-For-Service Health Care Professionals

MLN Matters Number: MM3332

Related Change Request (CR) #: 3332

Related CR Release Date: July 30, 2004

Effective Date: January 1, 2005

Related CR Transmittal #: 257

Implementation Date: January 3, 2005

MMA -Shared Systems Changes for Medicare Part B Drugs for End Stage Renal Disease (ESRD) Independent Dialysis Facilities

Note: This article was updated on April 5, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Providers caring for ESRD patients and billing Medicare fiscal intermediaries (FIs) for drugs under Part B.

Provider Action Needed



STOP – Impact to You

Beginning on January 01, 2005, Medicare's Fiscal Intermediary Standard System (FISS) will carry at least two payment limits for ESRD-related Healthcare Common Procedure Coding System (HCPCS) drug codes billed by differing types of facilities.



CAUTION – What You Need to Know

FIs will select the appropriate payment limits for HCPCS codes, based on type of facility. The ESRD price will apply only to independent dialysis facilities' claims and the non-ESRD price to all other providers' claims where payment is not based on cost or a Prospective Payment System (PPS).

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GO – What You Need to Do

When billing for PART B drugs for ESRD patients make sure that the correct Type of Bill (TOB) is used.

Background

Section 303 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) provides that the payment limits for ESRD-related drugs billed by differing types of facilities vary depending on the site of service.

For calendar year 2005, the payment limits for Medicare Part B drugs will be updated on a quarterly basis. Therefore, Medicare shared systems (FISS) will have at least two payment limits, one for independent ESRD facilities and another for other facilities, for HCPCS drug codes, effective for dates of service on or after January 1, 2005.

Independent dialysis facilities should use **TOB 72x** for separately billable drugs to ESRD beneficiaries. When Medicare receives a TOB 72x claim, it will pay based on the ESRD rate when the claim shows it is from an independent dialysis facility based on a provider number within the range of 2500-2899 (non-hospital renal facilities), or within the range of 2900-2999 (independent special purpose renal dialysis facilities).

Additional Information

The Centers for Medicare & Medicaid Services' (CMS) web site furnishes **current** drug-related information to Medicare providers, physicians and other suppliers at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Part-B-Drugs/McrPartBDrugAvgSalesPrice/index.html> on the CMS website.

These files will be updated effective January 1, 2005.

If you have any questions about this issue, please contact your FI at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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