

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services



News Flash –

Revised product from the Medicare Learning Network® (MLN)

- [“End-Stage Renal Disease Prospective Payment System,”](#) Fact Sheet, ICN 905143, Downloadable only.

MLN Matters® Number: MM8256

Related Change Request (CR) #: CR 8256

Related CR Release Date: April 26, 2013

Effective Date: July 1, 2013

Related CR Transmittal #: R2688CP

Implementation Date: July 1, 2013

## Reporting End-Stage Renal Disease (ESRD) Drugs Administered Through the Dialysate

### Provider Types Affected

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This MLN Matters® Article is intended for providers and suppliers who submit claims to Medicare contractors (Fiscal Intermediaries (FIs) and/or A/B Medicare Administrative Contractors (A/B MACs)) for End-Stage Renal Disease (ESRD) services provided to Medicare beneficiaries.

### Provider Action Needed

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This article is based on Change Request (CR) 8256 which instructs ESRD facilities to append the new modifier, JE (Administered via Dialysate), to all ESRD claims where drugs and biologicals are furnished to ESRD beneficiaries via the dialysate solution on claims with dates of service on or after July 1, 2013. Make sure that your billing staffs are aware of this change.

#### Disclaimer

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## Background

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Change Request (CR) 8256 instructs ESRD facilities to append the new JE modifier to all ESRD claim line items reporting drugs and biologicals that are furnished to ESRD beneficiaries via the dialysate solution for dates of service on or after July 1, 2013. Dialysate can be compounded with injectable drugs and biologicals as a way to administer the drug or biological.

All drugs and biologicals that are furnished to ESRD beneficiaries for the treatment of ESRD are paid under the ESRD Prospective Payment System (PPS) base rate regardless of the method of administration.

ESRD facilities will continue to have the ability to append the AY modifier (Item or service furnished to an ESRD patient that is not for the treatment of ESRD) when the drug or biological is furnished **for reasons other than the treatment of ESRD** with the exception of those drugs that are considered to always be ESRD-related. The list of drugs and biologicals that are included in the ESRD PPS consolidated billing requirements can be reviewed at [http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ESRDpayment/Consolidated\\_Billing.html](http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ESRDpayment/Consolidated_Billing.html) on the Centers for Medicare & Medicaid Services (CMS) website.

CMS believes that the JE modifier will prevent inappropriate application of the AY modifier, because CMS believes that there is confusion whether a drug or biological is considered ESRD-related when it is added to the dialysate.

## Additional Information

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The official instruction, CR8256 issued to your FI or A/B MAC regarding this change may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R2688CP.pdf> on the CMS website.

If you have any questions, please contact your FI or A/B MAC 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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