

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



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- “[ICD-10-CM/PCS The Next Generation of Coding](#)” Fact Sheet, ICN 901044, Downloadable and Hard Copy.



MLN Matters® Number: MM8698

Related Change Request (CR) #: CR 8698

Related CR Release Date: May 7, 2014

Effective Date: July 1, 2014

Related CR Transmittal #: R2949CP

Implementation Date: July 7, 2014

Quarterly Update to the End-Stage Renal Disease (ESRD) Prospective Payment System (PPS)

Provider Types Affected

This MLN Matters® Article is intended for End Stage Renal Disease (ESRD) facilities that submit claims to Medicare Administration Contractors (MACs) for renal dialysis services provided to Medicare beneficiaries.

Provider Action Needed

This article is based on Change Request (CR) 8698 which provides the July 2014 Quarterly Update to the ESRD Prospective Payment System (PPS). See the Background and Additional Information Sections of this article for further details regarding this ESRD PPS update, and make sure that your billing staff are aware of these changes.

Background

The Medicare Improvements for Patients and Providers Act (MIPPA; Section 153(b); see <http://www.gpo.gov/fdsys/pkg/PLAW-110publ275/pdf/PLAW-110publ275.pdf> on the Internet) required the implementation of an ESRD PPS effective January 1, 2011. The ESRD PPS provides a single payment to ESRD facilities that covers all of the resources

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used in furnishing an outpatient dialysis treatment, and it includes consolidated billing requirements for limited Part B services included in the ESRD facility's bundled payment.

The Centers for Medicare & Medicaid Services (CMS) periodically updates the lists of items and services that are subject to Part B consolidated billing and are therefore no longer separately payable when provided to ESRD beneficiaries by providers other than ESRD facilities. The ESRD PPS provides:

- Payment adjustments for comorbid conditions identified by specific diagnostic codes. The diagnostic codes are updated annually and effective each October 1st; and
- Outlier payments, if applicable, for high cost patients due to unusual variations in the type or amount of medically necessary care.

ESRD-Related Drugs and Biologicals Subject to the ESRD PPS Consolidated Billing Requirements

CR8698 provides instructions for the following new code in the table below which is being added to the Healthcare Common Procedure Coding System (HCPCS) file for anemia management treatment effective July 1, 2014:

HCPCS Code	Description
Q9970	Injection, Ferric Carboxymaltose, 1mg

Ferric carboxymaltose is used for anemia management which is a category of drugs and biologicals that are always considered to be ESRD-related. ESRD facilities will not receive separate payment for Q9970 with or without the AY modifier, and line items with this code will process as covered with no separate payment under the ESRD PPS effective July 1, 2014.

In accordance with 42 CFR 413.237(a)(1), Q9970 Injection, ferric carboxymaltose is considered to be an eligible outlier service, and it will be included in the outlier calculation when CMS provides a fee amount on the Average Sales Price fee schedule. You can review 42 CFR 413.237(a)(1) at <http://www.ecfr.gov/cgi-bin/text-idx?SID=e88efd0cc8ec3b503b30016e5463d95c&node=42:2.0.1.2.13&rgn=div5#42:2.0.1.2.13.8.59.27> on the Internet.

The updated list of ESRD-related items and services that are subject to the ESRD PPS consolidated billing requirements is available at http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ESRDpayment/Consolidated_Billing.html on the CMS website.

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Diagnosis Coding Updates

Effective July 1, 2014 the following International Classification of Diseases (ICD)-10-CM codes were removed from the comorbidity list:

- D89.2 Hypergammaglobulinemia, unspecified; and
- K52.81 Eosinophilic gastritis or gastroenteritis.

These two codes will not be eligible for the comorbidity payment adjustment with the implementation of the ICD-10-CM coding scheme.

Additional Information

The official instruction, CR 8698 issued to your MAC regarding this change may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R2949CP.pdf> on the CMS website.

For the latest information regarding the implementation of ICD-10, please go to <http://www.cms.gov/Medicare/Coding/ICD10/index.html> on the CMS website.

For more information regarding ESRD co-morbidity conditions, please go to http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ESRDpayment/Comorbidity_Conditions.html on the CMS website.

If you have any questions, please contact your 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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