

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



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MLN Matters® Number: MM8841

Related Change Request (CR) #: CR 8841

Related CR Release Date: July 25, 2014

Effective Date: October 1, 2014

Related CR Transmittal #: R2995CP

Implementation Date: October 6, 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 submitting claims to Medicare Administrative Contractors (MACs) for ESRD services provided to Medicare beneficiaries.

Provider Action Needed

Change Request (CR) 8841 provides the October 2014 Quarterly Update to the End-Stage Renal Disease (ESRD) Prospective Payment System (PPS) and adds a new Healthcare Common Procedure Coding System (HCPCS) code to the drugs subject to the ESRD Consolidated Billing List. Make sure your billing staffs 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>) 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 used in furnishing an

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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.

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

CR8841 provides instructions for the following new code added to the Healthcare Common Procedure Coding System (HCPCS) file effective October 1, 2014:

Added HCPCS Code	Long Description
Q9972	Injection, Epoetin Beta (For ESRD On Dialysis), 1 microgram

This drug is used for anemia management which is a category of drugs and biologicals that are always considered to be ESRD-related. ESRD facilities would not receive separate payment for Q9972 with or without the AY modifier, and the MACs will process the claims' line item as covered with no separate payment under the ESRD PPS, effective October 1, 2014.

In accordance with 42 CFR 413.237(a)(1) (See <http://www.ecfr.gov/cgi-bin/text-idx?SID=9a236dd4ead112b7a8a24bf752c36b60&node=42:2.0.1.2.13&rgn=div5#42:2.0.1.2.13.8.59.27>), Q9972 is considered to be an eligible outlier service and will be included in the outlier calculation when CMS provides a fee amount on the Average Sales Price (ASP) fee schedule.

The updated list of ESRD-related items and services 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.

Note: There is also a new HCPCS Code Q9973 for the same drug for non-ESRD use. This code will not be permitted on the ESRD type of bill 072x.

Additional Information

The official instruction, CR8841, issued to your MAC regarding this is available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R2995CP.pdf> on the CMS website.

You can find additional ESRD resources at the End-Stage Renal Disease (ESRD) Center at <http://www.cms.gov/Center/Special-Topic/End-Stage-Renal-Disease-ESRD-Center.html> on the CMS website.

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If you have any questions, please contact your MAC at their toll-free number. That number is available at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Net-work-MLN/MLNMattersArticles/index.html> under - How Does It Work.

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