DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

REVISED product from the Medicare Learning Network® (MLN)

- **"General Equivalence Mappings Frequently Asked Questions"** Booklet, ICN 901743, Downloadable and Hard Copy.

MLN Matters® Number: MM8957 | **Related Change Request (CR) #: CR 8957**

Related CR Release Date: November 6, 2014 | **Effective Date: April 1, 2015**

Related CR Transmittal #: R3116CP | **Implementation Date: April 6, 2015**

Elimination of the 50/50 Payment Rule for Laboratory Services on End Stage Renal Disease (ESRD) Claims

Provider Types Affected

This MLN Matters® Article is intended for laboratories and End Stage Renal Disease (ESRD) facilities that submit claims to Medicare Administrative Contractors (MACs) for ESRD-related tests provided to Medicare beneficiaries.

Provider Action Needed

With the implementation of the ESRD Prospective Payment System (PPS), ESRD laboratory services are no longer paid in accordance with the 50/50 rule. Change Request (CR) 8957 instructs that for ESRD claims with dates of service on or after April 1, 2015, ESRD facilities will no longer be required to submit the 50/50 rule modifiers CD, CE, and CF. The ESRD PPS requires that all renal dialysis laboratory services be paid in the ESRD facility bundled payment and therefore may only be billed by the ESRD facility.

Background

The Medicare End Stage Renal Disease (ESRD) benefit previously provided payment for dialysis and some dialysis related services under a per treatment composite rate. Separate

payment for Automated Multi-Channel Chemistry (AMCC) laboratory tests was determined according to the 50/50 rule where separate payment for the laboratory services was subject to whether 50 percent or more of the tests performed were in excess of the composite rate. ESRD facilities were required to report the following modifiers:

- CD to indicate if the laboratory test was included in the composite rate;
- CE to indicate the laboratory tests exceeded the frequency of the composite rate; or
- CF to indicate the laboratory test was not included in the composite rate.

In addition, ESRD facilities were required to itemize on the claim the individual laboratory Current Procedural Terminology (CPT) codes rather than reporting disease panel codes.

CR 8957 instructs that ESRD laboratory services are no longer paid in accordance with the 50/50 rule. The ESRD PPS requires that all renal dialysis laboratory services be paid in the ESRD facility bundled payment and therefore may only be billed by the ESRD facility.

For ESRD claims with dates of service on or after April 1, 2015, ESRD facilities will no longer be required to submit the 50/50 rule modifiers CD, CE, and CF. In addition, ESRD facilities should report organ or disease-oriented panel codes on Type of Bill 072X for codes listed in the following table when performed for an ESRD beneficiary if:

- These codes best describe the laboratory services provided to the beneficiary, which are paid under the ESRD PPS; or

- The test is not related to the treatment of ESRD, in which case the ESRD facility would append modifier "AY" and the service may be paid separately from the ESRD PPS.

HCPCS/CPT Code	Description
80047	METABOLIC PANEL IONIZED CA
80048	METABOLIC PANEL TOTAL CA
80051	ELECTROLYTE PANEL
80053	COMPREHEN METABOLIC PANEL
80061	LIPID PANEL
80069	RENAL FUNCTION PANEL
80076	HEPATIC FUNCTION PANEL

Additional Information

The official instruction, CR 8957 issued to your MAC regarding this change may be viewed at **http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3116CP.pdf** on the CMS website.

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-Network-MLN/MLNMattersArticles/index.html** under - How Does It Work.