

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



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MLN Matters[®] Number: MM9127

Related Change Request (CR) #: CR 9127

Related CR Release Date: May 15, 2015

Effective Date: July 1, 2015

Related CR Transmittal #: R3260CP

Implementation Date: July 6, 2015

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 Administrative Contractors (MACs) for ESRD services provided to Medicare beneficiaries.

Provider Action Needed

This article is based on Change Request (CR) 9127 which provides instructions for new codes added to the Healthcare Common Procedure Coding System (HCPCS) file for anemia

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management. These new codes will be added to the list of items and services subject to the ESRD PPS consolidated billing requirements. Make sure that your billing staff is aware of these changes.

Background

The Medicare Improvements for Patients and Providers Act ([MIPPA; Section 153\(b\)](#)) 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 outpatient dialysis treatment.

The ESRD PPS includes consolidated billing (CB) 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 CB and are therefore no longer separately payable when provided to ESRD beneficiaries by providers other than ESRD facilities. The ESRD PPS provides outlier payments, if applicable, for high-cost patients due to unusual variations in the type or amount of medically necessary care.

Anemia management is a category of drugs and biologicals that are always considered to be used for the treatment of ESRD.

CR9127 Updates

- ESRD facilities will not receive separate payment for J0887, J1439, or Q9976 with or without the AY modifier, and the claims will process the line item as covered with no separate payment under the ESRD PPS. Effective July 1, 2015, these new codes will be added to the list of items and services subject to the ESRD PPS CB requirements:
 - J0887 - Injection, Epoetin Beta (For ESRD On Dialysis), 1 microgram
 - J1439 - Injection, ferric carboxymaltose, 1mg
 - Q9976 - Injection ferric pyrophosphate citrate solution; 0.1 mg of iron

Q9976 is administered via dialysate. Therefore, when billing for Q9976, it should be accompanied by the JE modifier as discussed in CR 8256 issued April 26, 2013. You can review the MLN Matters® Article (MM8256) corresponding to CR 8256 at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM8256.pdf> on the CMS website.

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In accordance with [42 CFR 413.237\(a\)\(1\)](#), HCPCS J0887, J1439, and Q9976 are considered to be eligible outlier services and will be included in the outlier calculation when CMS provides a fee amount on the Average Sales Price fee schedule.

- There is a new HCPCS J0888 for epoetin beta for non-ESRD use. This code will not be permitted on the ESRD type of bill 072x. HCPCS J0888 replaces HCPCS Q9973; and
- Q2047 (Peginesatide) was terminated effective January 1, 2013. Therefore, it is no longer subject to the ESRD PPS consolidated billing requirements.
- In addition, J0890 (Peginesatide) is a recalled drug and should not be furnished to ESRD patients. Therefore effective July 1, 2015, this code will be removed from the list of items and services that are subject to CB requirements.

You can find the updated list of renal dialysis services that are subject to the ESRD PPS CB requirements at http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ESRDpayment/Consolidated_Billing.html on the CMS website.

Additional Information

The official instruction, CR 9127, issued to your MAC regarding this change is available at <http://www.cms.hhs.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3260CP.pdf> on the CMS website.

If you have questions, please contact your MAC at their toll-free number. The 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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