

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



MLN Matters® Number: MM9478 Revised **Related Change Request (CR) #:** CR 9478
Related CR Release Date: January 13, 2016 **Effective Date:** January 1, 2016
Related CR Transmittal #: R219BP **Implementation Date:** January 22, 2016

Calendar Year (CY) 2016 Eligibility Changes to the End-Stage Renal Disease (ESRD) Prospective Payment System (PPS) Low-Volume Payment Adjustment (LVPA)

Note: This article was revised on January 13, 2016, to reflect a revised Change Request (CR) that updated the attestation due date from January 22, 2016, to December 31, 2015 (page 2 below). The transmittal number, CR release date and link to the transmittal also changed. All other information remains the same.

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 CR 9478 which provides guidance to Medicare Administrative Contractors (MACs) on the changes made to the ESRD Prospective Payment System (PPS) Low Volume Payment Adjustment (LVPA) eligibility criteria effective January 1, 2016. Make sure that your billing staff are aware of these changes.

Background

For an End Stage Renal Disease (ESRD) facility to qualify for the ESRD Prospective Payment System (PPS) Low Volume Payment Adjustment (LVPA), certain criteria must be attested to by the ESRD facility and validated by the Medicare Administrative Contractor (MAC). These qualifying criteria include:

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2014 American Medical Association. All rights reserved.

- The ESRD facility furnished less than 4,000 dialysis treatments in each of the 3 cost reporting years preceding its payment year;
- The ESRD facility must not have opened, closed, or received a new provider number due to change in ownership in the 3 years preceding the payment year; and
- Prior to January 1, 2016, the ESRD facility must not be located within 25 road miles of another ESRD facility under common ownership.

In addition, prior to January 1, 2016, the geographic proximity criterion is only applicable to ESRD facilities that are Medicare certified on or after January 1, 2011, to furnish outpatient maintenance dialysis treatments.

CR9478 instructs that effective January 1, 2016, the Centers for Medicare & Medicaid Services (CMS) is implementing changes to the eligibility criteria for the LVPA. CMS has:

1. Removed the grandfathering of ESRD facilities that were Medicare certified prior to January 1, 2011, and
2. Changed the geographic proximity criterion.

Specifically (for the purposes of determining the number of treatments under the definition of a low-volume facility) beginning CY 2016, the number of treatments considered furnished by any ESRD facility (regardless of when it came into existence and was Medicare certified) will be equal to

- The aggregate number of treatments actually furnished by the ESRD facility, and
- The number of treatments furnished by other ESRD facilities that are both:
 - Under common ownership with the ESRD facility in question, and
 - 5 road miles or less from the ESRD facility in question.

In order to accommodate the timing of the policy changes, CMS extended the attestation deadline for the Calendar Year (CY) 2016 LVPA attestations until December 31, 2015, to allow ESRD facilities time to:

- Assess their eligibility based on the policy changes to the LVPA for CY 2016, and if appropriate, and
- Submit an attestation. MACs will review the attestations and determine eligibility.

Note: CR 9478 specifically updates the “Medicare Benefit Policy Manual” (Chapter 11 (End Stage Renal Disease (ESRD)), Section 60.B.1) which is included as an attachment to CR9478. As noted in the manual updates, beginning January 1, 2016, the LVPA is 23.9 percent.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2014 American Medical Association. All rights reserved.

Additional Information

The official instruction, CR9478, issued to your MAC regarding this change is available at <http://www.cms.hhs.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R219BP.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.

Document History

Date of Change	Description
January 13, 2016	The article was revised to reflect a revised CR that updated the attestation due date from January 22, 2016, to December 31, 2015. The transmittal number, CR release date and link to the transmittal also changed. All other information remains the same.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2014 American Medical Association. All rights reserved.