



**News Flash** - - The April 2008 version *Rural Referral Center Fact Sheet*, which provides information about Rural Referral Center program requirements, is now available in downloadable format Centers for Medicare & Medicaid Services Medicare Learning Network at <http://www.cms.hhs.gov/MLNProducts/downloads/RuralRefCtrfctsht2008.pdf> on the Centers for Medicare & Medicaid Services website. It is also available in print. To place your order, visit <http://www.cms.hhs.gov/mlnngeninfo/>, scroll down to "Related Links Inside CMS" and select "MLN Product Ordering Page."

MLN Matters Number: MM6133

Related Change Request (CR) #: 6133

Related CR Release Date: August 29, 2008

Effective Date: December 1, 2008

Related CR Transmittal #: R1581CP

Implementation Date: December 1, 2008

## Discarded Erythropoietin Stimulating Agents (ESAs) for Method I Home Dialysis

### Provider Types Affected

Providers and suppliers submitting claims to Medicare contractors (Fiscal Intermediaries (FIs) and/or Part A/B Medicare Administrative Contractors (A/B MACs)) for ESA services provided to Medicare beneficiaries.

### Provider Action Needed

This article is based on Change Request (CR) 6133 which updates the Medicare Claims Processing Manual (Publication 100-04), Chapters 8 (Sections 60.4.4.1 (Self Administered EPO Supply) and 60.7.4 (Darbepoetin Alfa (Aranesp) Furnished to Home Patients)) and Chapter 17 (Section 40.1 (Discarded Erythropoietin Stimulating Agents for Home Dialysis)) for discarded drugs and biologicals and CR 6133 includes specific instructions regarding appropriately discarded self-administered erythropoietin stimulating agents for Method I home dialysis patients. Be sure billing staff is aware of these changes.

### Background

#### 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.

Supplies of Erythropoietin Stimulating Agents (ESAs) for self administration are billed according to the pre-determined plan of care schedule provided to home dialysis patients that meet the criteria for self administered ESAs as discussed in the Medicare Claims Processing Manual (Chapter 8, Sections 60.4 and 60.7. (See revised Chapter 8, Sections 60.4.4.1 and 60.7.4 which are Attachments of CR 6133.) The renal facility, through the amounts prescribed in the plan of care, shall ensure the patient's ESAs on hand at any time does not exceed a 2-month supply. The Centers for Medicare & Medicaid Services (CMS) expects the facility to minimize excess dispensing of the ESAs for self administration based on the patient's plan of care.

Multiuse vials are generally not subject to payment for discarded amounts of drugs or biologicals. **An exception is applied specifically to self administered erythropoietin stimulating agents (ESAs) by Method I home dialysis patients.**

Providers may bill the Medicare program using the modifier 'JW' for the amount of ESAs appropriately discarded, if the home dialysis patient must discard a portion of the ESA supply due to:

- Expiration of a vial because of interruption in the patient's plan of care, or
- Unused ESAs on hand after a patient's death.

Note: In these situations, the maximum numbers of administrations generally allowed per month (i.e., 13 to 14 administrations) **are not expected to all be administered to a patient.**

This applies only to home dialysis patients who meet the Method I conditions described in the Medicare Benefits Policy Manual (Chapter 11, Section 90 (Epoetin (EPO)), and does not apply to Method II home dialysis patients. See <http://www.cms.hhs.gov/manuals/Downloads/bp102c11.pdf> on the CMS website.

When billing for discarded ESAs for Method 1 patients in accordance with the policy in the Medicare Claims Processing Manual (Chapter 17, Section 40.1; see to CR 6133), the provider must show the amount discarded on a separate line item with the modifier 'JW', and the line item date of service should be:

- The date of the last covered administration according to the plan of care, or
- The date of death, if the patient dies.

## Additional Information

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The official instruction, CR 6133, issued to your FI or A/B MAC regarding this change may be viewed at

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<http://www.cms.hhs.gov/Transmittals/downloads/R1581CP.pdf> on the CMS website.

If you have any questions, please contact your FI or A/B MAC at their toll-free number, which may be found at

<http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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