



News Flash – The "Medicare Billing Information for Rural Providers and Suppliers" (ICN 006762)(Sept. 2011) booklet is designed to provide education on Medicare rural billing. It includes information for Rural Health Clinics, Federally Qualified Health Centers, Skilled Nursing Facilities, Home Health Agencies, Critical Access Hospitals, and Swing Beds. To access the downloadable version of the Rural Health Bookmark, visit <http://go.cms.gov/MLNProducts>, scroll down to "Related Links" and select "MLN Product Ordering Page."

MLN Matters® Number: MM6679 Revised

Related Change Request (CR) #: 6679

Related CR Release Date: October 30, 2009

Effective Date: January 1, 2010

Related CR Transmittal #: R113BP

Implementation Date: January 4, 2010

Note: This article was updated on January 18, 2013, to reflect current Web addresses. All other information remains unchanged.

Calendar Year (CY) 2010 –MIPPA Section 153 Implementation of Changes in End Stage Renal Disease (ESRD) Payment for

Provider Types Affected

Hospital-based and independent dialysis facilities submitting claims to Medicare contractors (Fiscal Intermediaries (FIs) and Medicare Administrative Contractors (MACs)) for ESRD services provided to Medicare beneficiaries are impacted by this article.

Provider Action Needed



STOP – Impact to You

This article is based on CR 6679, which provides payment updates for ESRD facilities for CY 2010.

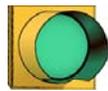
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CAUTION – What You Need to Know

Effective January 1, 2010, section 153 of the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) amended section 1881(b) (12) of the Social Security Act to require a 1 percent increase to the ESRD composite payment rate and that hospital-based dialysis facilities get paid the same composite payment rate as independent dialysis facilities. In addition to the MIPPA changes, other changes include: an update to the drug add-on adjustment to the composite payment rate, an update to the wage index adjustments to reflect current wage data, including a revised budget neutrality adjustment, and a reduction in the wage index floor.



GO – What You Need to Do

See the Background and Additional Information Sections of this article for further details regarding these changes.

Background

For CY 2010, the Centers for Medicare & Medicaid Services (CMS) updated the composite payment rates for ESRD facilities. Upon implementation of CR 6679, the following changes will be applied to claims from hospital-based and independent dialysis facilities:

- An update to the base composite payment rate with a 1 percent increase resulting in a base rate of \$135.15 for both hospital-based and independent renal dialysis facilities;
- An update to the drug add-on adjustment for CY 2010 to the composite payment rate of 15.0 percent;
- An update to the wage index adjustments to reflect the current wage data; and
- A reduction in the wage index floor from 0.7000 to 0.6500.

Note: The ESRD payment changes will be effective for services on or after January 1, 2010.

Additional Information

The official instruction, CR 6679, issued to your Medicare FI or A/B MAC may be viewed by going to <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R113BP.pdf> on the CMS website. If you have questions, please contact your Medicare FI or MAC at their toll-free number which may be found at <http://www.cms.gov/Research-Statistics-Data->

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[and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html](#) on the CMS website.

The fact sheet *End-Stage Renal Disease Prospective Payment System* provides general information about outpatient maintenance dialysis for End-Stage Renal Disease, the composite payment rate system, and separately billable items and services. The fact sheet is available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/End-Stage_Renal_Disease_Prospective_Payment_System_ICN905143.pdf on the CMS website.

Note: See MLN Matters® MM7064 at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM7064>, regarding where to get information on the new ESRD PPS and consolidated billing for limited Part B services.

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