

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



In September 2012, the Centers for Medicare & Medicaid Services (CMS) announced the availability of a new electronic mailing list for those who refer Medicare beneficiaries for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS). Referral agents play a critical role in providing information and services to Medicare beneficiaries. To ensure you give Medicare patients the most current DMEPOS Competitive Bidding Program information, CMS strongly encourages you to review the information sent from this new electronic mailing list. In addition, please share the information you receive from the mailing list and the link to the ["mailing list for referral agents"](#) subscriber webpage with others who refer Medicare beneficiaries for DMEPOS. Thank you for signing up!

MLN Matters® Number: MM8368

Related Change Request (CR) #: CR8368

Related CR Release Date: July 26, 2013

Effective Date: January 1, 2014

Related CR Transmittal #: R12640TN

Implementation Date: January 6, 2014

Addition of the End Stage Renal Disease (ESRD) Facilities Located in the Pacific Rim to the ESRD Prospective Payment System (PPS)

Provider Types Affected

This MLN Matters® article is intended for End Stage Renal Disease (ESRD) facilities who submit claims to Medicare contractors (Fiscal Intermediaries (FIs) and/or A/B Medicare Administrative Contractors (A/B MACs)) for ESRD services provided to Medicare beneficiaries at ESRD facilities located in the Pacific Rim.

Provider Action Needed

This article is based on Change Request (CR) 8368 which provides the requirement that Pacific Rim ESRD facilities are to be paid under the ESRD Prospective Payment System (PPS) effective January 1, 2014. Make sure that your billing staff is aware of these changes.

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 2012 American Medical Association.

Background

The ESRD facilities located in the United States Territories of Guam, American Samoa, and the Northern Mariana Islands (the Pacific Rim) are subject to the ESRD Prospective Payment System (PPS) in accordance with the Medicare Improvement for Patients and Providers Act (MIPPA; Section 153b) and existing ESRD instructions provided in the "Medicare Claims Processing Manual" (Chapter 8; see <http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c08.pdf> on the CMS website)). You can find the MIPPA; Section 153b, at <http://www.gpo.gov/fdsys/pkg/PLAW-110publ275/pdf/PLAW-110publ275.pdf> on the Internet.

The ESRD facilities located in the Pacific Rim were removed from the initial implementation of the ESRD PPS because these facilities were previously not paid under the basic case-mix adjusted composite rate payment system.

However, by statute, all ESRD facilities are required to be paid fully under the ESRD PPS by January 1, 2014. Therefore, ESRD facilities located in the Pacific Rim have been advised and educated by their Medicare contractor, that their PPS payments will begin January 1, 2014, and full PPS payment implementation will be required for claims with dates of service on or after January 1, 2014.

The Calendar Year (CY) 2014 wage index file provided with the annual update instructions will include a Core-Based Statistical Area (CBSA) with a corresponding wage index value for each of these areas.

Note: No new ESRD PPS payment policy is being implemented with CR8368.

Additional Information

You can find the ESRD Payment webpage at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ESRDpayment/index.html> on the CMS website.

The ESRD PPS Facility FAQs webpage is located at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ESRDpayment/FAQs.html> on the CMS website. This webpage contains responses to questions that CMS has received concerning the ESRD PPS.

You can review the MLN Matters® article MM7064, titled 'ESRD PPS and Consolidated Billing for Limited Part B Services,' at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM7064.pdf> on the CMS website.

The official instruction, CR8368 issued to your Medicare contractor regarding this change may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R1264OTN.pdf> on the CMS website.

If you have any questions, please contact your Medicare contractor at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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 2012 American Medical Association.