Clarification of Epoetin Alfa (EPO) Billing Procedures and Codes in ESRD

Note: This article was updated on April 9, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Physicians, suppliers, and renal dialysis facilities (RDFs) caring for patients with End Stage Renal Disease (ESRD)

Provider Action Needed

Physicians, suppliers, and RDFs should note that this Special Edition provides an overview of the differences between Medicare’s billing procedures and codes for End Stage Renal Disease Renal Disease (ESRD) usage of EPO/DPA

Background

Epoetin Alfa (EPO) Billing Procedures and Codes

The Centers for Medicare & Medicaid Services (CMS) has assigned a new HCPCS code (Q4055) for EPO, and the new Healthcare Common Procedure Coding System (HCPCS) code (Q4055) is provided for ESRD EPO usage only. Also, CMS has deleted all the current “Q” codes (Q9920 through Q9940) established for ESRD patients on EPO.

All other rules still apply for billing EPO for ESRD related anemia.

Intermediaries pay for EPO to ESRD facilities as a separately billable drug to the composite rate. No additional payment is made to administer EPO, whether in a facility or a home. Medicare beneficiaries dialyzing from home may choose between two methods of payment.

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.
EPO payment is in addition to the composite rate and the following billing procedures are to be used for EPO administered in your facility. Identify EPO and the number of injections by:

- Revenue Code 634: EPO administration of less than 10,000 units; and
- Revenue Code 635: EPO administration of equal to or more than 10,000 units.

The following value codes should be used for reporting Hemoglobin and Hematocrit readings:

- Hemoglobin (Hgb) Reading: Value Code 48; and
- Hematocrit (Hct) Reading: Value Code 49.

In addition, use value code 68 for reporting the number of EPO units administered during the billing period. Remember to include the HCPCS code Q4055 on the claim.

**Summarizing for EPO**

For dates of service on and after January 1, 2004, claims include the following:

- Bill Type = 721 (Clinic ESRD First Service to Last Service) or other bill type as applicable
- Revenue Code = 634 or 635 (according to units administered)
- HCPCS Codes = Q4055 (Required)
- Units = number of administrations (not to exceed 13 for a 30-day month or 14 for a 31-day month)
- Value Codes = 48 (hemoglobin reading) or 49 (hematocrit reading)
- Value Code = 68 (number of units of EPO administered)

Reimbursement remains the same at $10.00 per 1,000 units.

(Reference: CMS Pub. 100-4, Chapter 8, Section 60.4)

**Example 1:** The following numbers of EPO units were administered during the billing period 2/1/04 – 2/28/04:

<table>
<thead>
<tr>
<th>Date</th>
<th>EPO Units</th>
<th>Date</th>
<th>EPO Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/1</td>
<td>3000</td>
<td>2/15</td>
<td>2500</td>
</tr>
<tr>
<td>2/4</td>
<td>3000</td>
<td>2/18</td>
<td>2500</td>
</tr>
<tr>
<td>2/6</td>
<td>3000</td>
<td>2/10</td>
<td>2560</td>
</tr>
<tr>
<td>2/8</td>
<td>3000</td>
<td>2/22</td>
<td>2500</td>
</tr>
<tr>
<td>2/11</td>
<td>2500</td>
<td>2/25</td>
<td>2000</td>
</tr>
<tr>
<td>2/13</td>
<td>2500</td>
<td>2/27</td>
<td>2000</td>
</tr>
</tbody>
</table>

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Total: 31,060 units
For value code 68, enter 31,060.
Your intermediary uses 31,100 to determine the rate payable. This is 31,060 rounded to the nearest 100 units. The rate payable is $311.00 (31.1 \times 10).
Hgb=10.2
Revenue Code: 634 – 12
Value Code: 68 – 31,060
HCPCS: Q4055
VC 48: 10.2

**Example 2:** The following number of EPO units was administered during the billing period 5/1/04 – 5/30/04:

<table>
<thead>
<tr>
<th>Date</th>
<th>EPO Units</th>
<th>Date</th>
<th>EPO Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/10</td>
<td>20,000</td>
<td>5/24</td>
<td>9,500</td>
</tr>
<tr>
<td>5/12</td>
<td>9,000</td>
<td>5/26</td>
<td>10,000</td>
</tr>
<tr>
<td>5/14</td>
<td>11,000</td>
<td>5/28</td>
<td>10,000</td>
</tr>
<tr>
<td>5/19</td>
<td>8,000</td>
<td>5/30</td>
<td>10,000</td>
</tr>
<tr>
<td>5/22</td>
<td>15,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total: 102,500 units
HCPCS code: Q4055
Revenue Code: 634, 3 (number of administration dates)
HCPCS code: Q4055
Revenue Code: 635, 6 (number of administration dates)
Value Code: 68, 102,500
Value Code: 49, 30.9 (Hct)
(See ESRD Manual Section 60.)

If an electronic submitter has additional documentation, which Medicare may require, they can indicate "DOCUMENTATION AVAILABLE UPON REQUEST" in the narrative (NTE02) segment. If the additional documentation you have is needed for Medicare to make its payment determination, a development letter will be sent requesting the information.

If the NTE02 segment does not indicate the availability of the additional documentation or the information is not returned in a timely manner, the claim will be returned as unprocessable.
Related Instructions


Additional Information


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