

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1586	Date: December 17, 2015
	Change Request 9268

Transmittal 1526, dated August 6, 2015, is being rescinded and replaced by Transmittal 1586, dated December 17, 2015, since it did not include the appropriate federal register citation pertaining to comorbidities as they apply to the ESRD PPS. In addition, the original transmittal is no longer sensitive because the CY 2016 End-Stage Renal Disease Prospective Payment System final rule is available to the public. All other information remains the same.

SUBJECT: Eliminate Two Case-mix Payment Adjustments (Monoclonal Gammopathy and Bacterial Pneumonia) Available Under the End State Renal Disease (ESRD) Prospective Payment System (PPS) in Accordance With Section 632 of the American Taxpayer Relief Act (ATRA)

I. SUMMARY OF CHANGES: The purpose of this change request is to no longer allow payment adjustments for the co-morbid patient conditions of Monoclonal Gammopathy and Bacterial Pneumonia under the ESRD PPS payment system effective January 1, 2016.

EFFECTIVE DATE: January 1, 2016

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: January 4, 2016

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

One Time Notification

Attachment - One-Time Notification

Pub. 100-20	Transmittal: 1586	Date: December 17, 2015	Change Request: 9268
--------------------	--------------------------	--------------------------------	-----------------------------

Transmittal 1526, dated August 6, 2015, is being rescinded and replaced by Transmittal 1586, dated December 17, 2015, since it did not include the appropriate federal register citation pertaining to comorbidities as they apply to the ESRD PPS. In addition, the original transmittal is no longer sensitive because the CY 2016 End-Stage Renal Disease Prospective Payment System final rule is available to the public. All other information remains the same.

SUBJECT: Eliminate Two Case-mix Payment Adjustments (Monoclonal Gammopathy and Bacterial Pneumonia) Available Under the End State Renal Disease (ESRD) Prospective Payment System (PPS) in Accordance With section 632 of the American Taxpayer Relief Act (ATRA)

EFFECTIVE DATE: January 1, 2016

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: January 4, 2016

I. GENERAL INFORMATION

A. Background: The ESRD PPS is a case-mix, or patient level, adjusted payment system. The Centers for Medicare & Medicaid Services (CMS) finalized six available co-morbid case-mix payment adjustments in our CY 2011 final rule, (75 FR 49087 through 49107), as these patient conditions demonstrate a prediction for increased facility costs when furnishing dialysis services. The payment adjustments are paid on a pretreatment basis when an appropriate diagnosis code is reported on the 72 x monthly bill type.

B. Policy: Section 632(c) of the American Taxpayer Relief Act of 2012 (ATRA) (Pub. L 112-240) requires the Secretary, by no later than January 1, 2016, to analyze the case-mix payment adjustments under section 1881(b)(14)(D)(i) of the Act and make appropriate revisions to those adjustments. Accordingly, we reviewed facility claims from CY 2012 and 2013, and found that while these two co-morbid patient conditions continue to demonstrate additional resources when furnishing dialysis care, the facility documentation burden necessary in order to comply with the diagnosis coding requirements surpassed the benefit of the adjustments.

As such, CMS finalized in the CY 2016 ESRD PPS final rule (80 FR 68992) to eliminate the co-morbid patient conditions of Monoclonal Gammopathy and Bacterial Pneumonia beginning in CY 2016.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared- System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
9268.1	Contractors shall no longer append payer only condition codes for comorbid categories MB-Pneumonia and MF-Monoclonal gammopathy on					X				

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared-System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
	ESRD claims dates of service on or after January 1, 2016. Refer to attachment A for a listing of the comorbid diagnosis codes.									
9268.2	Contractors shall update all existing logic to no longer track the following comorbid categories MB-Pneumonia and MF-Monoclonal gammopathy for dates of service on or after January 1, 2016.							X		
9268.3	Contractors shall no longer track condition code H4, reoccurrence of MB category for dates of service on or after January 1, 2016.							X		

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E D I
		A	B	H H H		
	None					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Stephanie Frilling, 410-786-4507 or Stephanie.Frilling@cms.hhs.gov , Tracey Mackey, 410-786-5736 or Tracey.Mackey@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 1

Attachment A

Bacterial Pneumonia

ICD-9	Description	ICD-10	Description
003.22	Salmonella pneumonia	A02.22	Salmonella pneumonia
482.0	Pneumonia due to Klebsiella pneumoniae	J15.0	Pneumonia due to Klebsiella pneumoniae
482.1	Pneumonia due to Pseudomonas	J15.1	Pneumonia due to Pseudomonas
482.2	Pneumonia due to Hemophilus influenzae [H. influenzae]	J14	Pneumonia due to Hemophilus influenzae
482.30	Pneumonia due to Streptococcus, unspecified	J15.4	Pneumonia due to other streptococci
482.31	Pneumonia due to Streptococcus, group A	J15.4	Pneumonia due to other streptococci
482.32	Pneumonia due to Streptococcus, group B	J15.3	Pneumonia due to streptococcus, group B
482.39	Pneumonia due to other Streptococcus	J15.4	Pneumonia due to other streptococci
482.40	Pneumonia due to Staphylococcus, unspecified	J15.20	Pneumonia due to staphylococcus, unspecified
482.41	Methicillin susceptible pneumonia due to Staphylococcus aureus	J15.211	Pneumonia due to Methicillin susceptible Staphylococcus aureus
482.42	Methicillin resistant pneumonia due to Staphylococcus aureus	J15.212	Pneumonia due to Methicillin resistant Staphylococcus aureus
482.49	Other Staphylococcus pneumonia	J15.29	Pneumonia due to other staphylococcus
482.81	Pneumonia due to anaerobes	J15.8	Pneumonia due to other specified bacteria
482.82	Pneumonia due to escherichia coli [E. coli]	J15.5	Pneumonia due to Escherichia coli
482.83	Pneumonia due to other gram-negative bacteria	J15.6	Pneumonia due to other aerobic Gram-negative bacteria
482.84	Pneumonia due to Legionnaires' disease	A48.1	Legionnaires' disease
482.89	Pneumonia due to other specified bacteria	J15.8	Pneumonia due to other specified bacteria
507.0	Pneumonitis due to inhalation of food or vomitus	J69.0	Pneumonitis due to inhalation of food and vomit
507.8	Pneumonitis due to other solids and liquids	J69.8	Pneumonitis due to inhalation of other solids and liquids
510.0	Empyema with fistula	J86.0	Pyothorax with fistula

Attachment A

510.9	Empyema without mention of fistula	J86.9	Pyothorax without fistula
513.0	Abscess of lung	J85.0	Gangrene and necrosis of lung
513.0	Abscess of lung	J85.1	Abscess of lung with pneumonia
513.0	Abscess of lung	J85.2	Abscess of lung without pneumonia

Monoclonal Gammopathy

ICD-9	Description	ICD-10	Description
273.1	Monoclonal paraproteinemia	D47.2	Monoclonal gammopathy
273.1	Monoclonal paraproteinemia	D89.2	Hypergammaglobulinemia, unspecified