



## Acute Kidney Injury & ESRD Billing: Ending the AX Modifier Requirement

<b>Related CR Release Date:</b> January 28, 2026	<b>MLN Matters Number:</b> MM14354
<b>Effective Date:</b> July 1, 2026	<b>Related Change Request (CR) Number:</b> <a href="#">CR 14354</a>
<b>Implementation Date:</b> July 6, 2026	<b>Related CR Transmittal Number:</b> R13588CP
<b>Related CR Title:</b> Completion of Changes to Remove Reliance on the AX Modifier to Accurately Pay End Stage Renal Disease (ESRD) Claims	

### Affected Providers

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- ESRD facilities
- Physicians
- Other providers billing Medicare Administrative Contractors (MACs) for ESRD and acute kidney injury (AKI) services

### Action Needed

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Make sure your billing staff knows about these updates, starting July 1, 2026, to billing instructions for ESRD Prospective Payment System (PPS) claims and to the [Medicare Claims Processing Manual, Chapter 8](#), sections 20, 40, and 50:

- ESRD facilities don't need to submit the AX modifier on claims eligible for certain add-on payment adjustments under the ESRD PPS
- ESRD facilities must adhere to new billing instructions for hemodiafiltration and AKI claims

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## Background

The ESRD PPS provides a single per-treatment payment to ESRD facilities that covers all the resources they use to provide outpatient dialysis treatment. CMS adjusts the ESRD PPS base rate to reflect patient and facility characteristics that contribute to higher per-treatment costs.

We pay ESRD facilities for providing renal dialysis services to Medicare patients with AKI. See [CR 9598](#) for more information on payment policies.

The ESRD PPS includes consolidated billing (CB) requirements for limited Medicare Part B services included in the ESRD facility's bundled payment. We periodically update the lists of items and services that are subject to Part B CB and are no longer separately payable when providers other than ESRD facilities furnish the items and services.

## ESRD PPS Payment Adjustments

There are several add-on payment adjustments under the ESRD PPS, which we include in the single per-treatment payment:

- Transitional drug add-on payment adjustment (TDAPA) for certain new renal dialysis drugs and biological products
- Transitional payment for new and innovative equipment and supplies (TPNIES) for renal dialysis

The TDAPA applies to certain new renal dialysis drugs and biological products that we don't include in the ESRD PPS base rate and for certain drugs and biological products in existing ESRD PPS functional categories. The first drugs we paid the TDAPA for were calcimimetics in 2018.

The TPNIES applies to certain new and innovative equipment that aren't capital-related assets (CRAs) except CRAs that are home dialysis machines for a single patient.

## AX Modifier

We have historically required the AX modifier (item furnished in conjunction with dialysis services) when ESRD facilities provide renal dialysis services that qualify for the TDAPA, TPNIES, and CRA TPNIES to indicate that the drug, biological product, equipment, supply, or CRA should receive the applicable payment adjustment. For example:

- If you supply TDAPA-eligible drugs or biological products during the TDAPA period and bill it with the AX modifier, we apply the TDAPA to that claim
- If you supply a HCPCS for a CRA that's eligible to receive TPNIES payment for CRA and bill it with the AX modifier and a revenue code for home dialysis equipment, we apply the TPNIES for CRA pricing instructions to that claim
- If you omit the AX modifier from a claim with an eligible service with or without the AY modifier (item or service furnished to an ESRD patient that's not for the treatment of ESRD), we won't apply a payment adjustment and would process the line item as covered with no separate payment

Effective in 2018, injectable, intravenous, and oral calcimimetics qualify for the TDAPA. We require ESRD facilities to report the AX modifier with the HCPCS code for drugs and biological products to receive payment for these drugs using the TDAPA. We apply the TDAPA when you report a HCPCS code for these eligible drugs or biological products with the AX modifier and revenue code 0636. We instructed ESRD facilities to not use the AX modifier for any other drugs or biological products.

Effective in 2021, we require ESRD facilities to report the AX modifier with the HCPCS code for innovative equipment or supplies eligible to receive the TPNIES payment. We apply the TPNIES pricing instructions when you report a HCPCS code on the TPNIES list with the AX modifier and revenue code 027X.

Effective in 2022, we apply the TPNIES for CRA pricing instructions when you report a HCPCS code on the TPNIES CRA list with the AX modifier and 1 of these revenue codes:

- 0823 – Hemodialysis home equipment
- 0833 – Peritoneal dialysis home equipment
- 0843 – Continuous ambulatory peritoneal dialysis (CAPD) home equipment
- 0853 – Continuous cycling peritoneal dialysis (CCPD) home equipment
- 0889 – Other miscellaneous dialysis (for ultrafiltration home equipment)

Effective in 2018, we instructed ESRD facilities not to report the AX modifier on any claims for renal dialysis services they provide to patients with AKI as AKI dialysis claims aren't eligible for TDAPA, TPNIES, or CRA TPNIES.

## Key Updates

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### AX Modifier

Starting July 1, 2026, don't report the AX modifier for:

- New renal dialysis drugs and biological products eligible for the TDAPA
- Innovative equipment and supplies eligible for the TPNIES
- CRAs eligible for the CRA TPNIES

We'll apply the pricing instructions for the:

- TDAPA when you report a HCPCS code on the TDAPA list with revenue code 0636
- TPNIES when you report a HCPCS code on the TPNIES list with revenue code 027X
- CRA TPNIES when you report a HCPCS code on the CRA TPNIES list with 1 of these revenue codes:
  - 0823 – Hemodialysis home equipment
  - 0833 – Peritoneal home equipment
  - 0843 – CAPD home equipment
  - 0853 – CCPD home equipment
  - 0889 – Other miscellaneous dialysis (for ultrafiltration home equipment)

Unless we instruct you to, don't bill any renal dialysis services with the AX modifier for dates of services on or after July 1, 2026. These modifications to the AX modifier don't impact prior and remaining TDAPA, TPNIES, and CRA TPNIES billing guidance. These changes don't impact payments for renal dialysis services you provide to AKI patients for which you shouldn't report with the AX modifier.

## AKI & Hemodiafiltration

Starting July 1, 2026, we require ESRD facilities to:

- Use condition code 74 when billing AKI claims for dialysis in the home setting.
- Use either condition code 76 or 87, as appropriate, when billing AKI claims for training or re-training for AKI home dialysis and self-dialysis.
- Use revenue code 0829 and CPT code 90999 when billing for hemodiafiltration. We'll pay hemodiafiltration claims you bill with revenue code 0829 at the same rate as hemodialysis claims.
- Continue to bill for only 1 treatment per day and not to bill for hemodialysis and hemodiafiltration on the same date of service.
- Use both condition code 76 and 84 when billing for back-up in-facility dialysis for AKI patients.

Your MAC will return any claims you submit with more than 1 hemodialysis treatment on the same date of service on type of bill 072X with revenue code 0821 or 0829.

## More Information

We issued CR 14354 to your MAC as the official instruction for this change. For more information, find your [MAC's website](#).

## Document History

Date of Change	Description
January 29, 2026	Initial article released.

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