

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 10545	Date: December 31, 2020
	Change Request 12038

Transmittal 10495, dated November 24, 2020, is being rescinded and replaced by Transmittal 10545, dated, December 31, 2020 to correct a date in business requirement 12038.2. All other information remains the same.

SUBJECT: ESRD Treatment Choices (ETC) Model Implementation: Home Dialysis Payment Adjustment (HDP) & Waiver of the Kidney Disease Education (KDE) Benefit

I. SUMMARY OF CHANGES: Section 1115A of the Social Security Act (the Act) authorizes the Innovation Center to test innovative payment and service delivery models expected to reduce Medicare, Medicaid, and Children's Health Insurance Program (CHIP) expenditures while preserving or enhancing the quality of care furnished to the beneficiaries of such programs. The End-Stage Renal Disease (ESRD) Treatment Choices Model (ETC Model) will be a mandatory payment model focused on encouraging greater use of home dialysis and kidney transplants, in order to preserve or enhance the quality of care furnished to Medicare beneficiaries while reducing Medicare expenditures. The ETC Model adjusts Medicare payments on certain dialysis and dialysis-related claims for participating ESRD facilities and clinicians caring for beneficiaries with ESRD—or Managing Clinicians—based on their rates of home dialysis transplant waitlisting, and living donor transplants. We believe that these two models will test ways to further our goals of reducing Medicare expenditures while preserving or enhancing the quality of care furnished to beneficiaries.

The ETC Model will begin January 1, 2021, and end June 30, 2027

The purpose of this CR is to inform Medicare Administrative Contractors (MACs) and all stakeholders that CMS has released the Final Rule (Medicare Program; Specialty Care Models To Improve Quality of Care and Reduce Expenditures) for the End-Stage Renal Disease (ESRD) Treatment Choices (ETC) Model and will begin January 1, 2021. This CR updates any relevant BRs in (CR) 11390 and CR 11409 based on final Rule, and requires the MACs to perform any set up and testing to ensure the model is live on January 1, 2021.

EFFECTIVE DATE: January 1, 2021

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

IMPLEMENTATION DATE: January 4, 2021

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: 10545	Date: December 31, 2020	Change Request: 12038
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SUBJECT: ESRD Treatment Choices (ETC) Model Implementation: Home Dialysis Payment Adjustment (HDP) & Waiver of the Kidney Disease Education (KDE) Benefit

EFFECTIVE DATE: January 1, 2021

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

IMPLEMENTATION DATE: January 4, 2021

I. GENERAL INFORMATION

A. Background: The purpose of this CR is to inform Medicare Administrative Contractors (MACs) and all stakeholders that CMS has released the Final Rule (Medicare Program; Specialty Care Models To Improve Quality of Care and Reduce Expenditures) for the End-Stage Renal Disease (ESRD) Treatment Choices (ETC) Model and will begin January 1, 2021. This CR updates any relevant BRs in (CR) 11390 and CR 11409 based on final Rule, and requires the MACs to perform any set up and testing to ensure the model is live on January 1, 2021.

B. Policy: Section 1115A of the Social Security Act (the Act) authorizes the Innovation Center to test innovative payment and service delivery models expected to reduce Medicare, Medicaid, and Children's Health Insurance Program (CHIP) expenditures while preserving or enhancing the quality of care furnished to the beneficiaries of such programs. The End-Stage Renal Disease (ESRD) Treatment Choices Model (ETC Model) will be a mandatory payment model focused on encouraging greater use of home dialysis and kidney transplants, in order to preserve or enhance the quality of care furnished to Medicare beneficiaries while reducing Medicare expenditures. The ETC Model adjusts Medicare payments on certain dialysis and dialysis-related claims for participating ESRD facilities and clinicians caring for beneficiaries with ESRD—or Managing Clinicians—based on their rates of home dialysis transplant waitlisting, and living donor transplants. CMS believes that these two models will test ways to further our goals of reducing Medicare expenditures while preserving or enhancing the quality of care furnished to beneficiaries.

The ETC Model will begin January 1, 2021, and end June 30, 2027.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								Other
		A/B MAC			D M E M A C	Shared- System Maintainers				
		A	B	H H H		F I S S	M C S	V M S	C W F	
12038.1	Contractors shall prepare their systems to process claims with service dates beginning January 1, 2021, as per CR 11390 and CR 11409.	X	X			X				
12038.1.1	Contractors shall prepare their systems to process Home Dialysis Payment Adjustment (HDPa) effective with claim service dates beginning January 1, 2021, and ending December 31, 2023. The new timeline applies to the following Business Requirements (BR)s: 11390.1, 11390.3.1, 11390.3.3, 11390.9.4, 11390.10.3, 11390.10.4, 11390.10.5.	X	X			X				ESRD Pricer
12038.1.2	Contractors shall prepare their systems to process Kidney Education Training (KDE) effective with claim service dates beginning January 1, 2021, and ending June 30, 2027. The new timeline applies to the following Business Requirements (BR)s: 11409.1.	X	X	X		X				
12038.2	For eligible model facilities and Managing Clinicians, the contractor shall apply the HDPa payment adjustment as per the revised timeline: 1. January 1, 2021 – December 31, 2021: +3% 2. January 1, 2022 – December 31, 2022: +2% 3. January 1, 2023 – December 31, 2023: +1% Use the HDPa percentage based on the year of the claim through date. This BR replaces BR 11390.9.4.	X	X							ESRD Pricer
12038.3	CMS shall provide the ETC Model ZIP Code files to VDC by November 1, 2020.									CMS, VDC
12038.4	MACs shall use the ETC Model ZIP Code files to test in the model during the January 2021 Release User	X	X	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	
	Acceptance Testing (UAT) timeframe.									

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E	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): Abraham Verghis, Abraham.Verghis@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