Hospital Dialysis Billing

Part A Provider Outreach and Education

September 2015
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# Helpful Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tr>
<td>ABN</td>
<td>Advance Beneficiary Notice of Non Coverage</td>
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<td>ESA</td>
<td>Erythropoiesis Stimulating Agents</td>
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<td>ESRD</td>
<td>End Stage Renal Disease</td>
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<td>ER</td>
<td>Emergency Room</td>
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<td>CR</td>
<td>Change Request</td>
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<td>IOM</td>
<td>Internet Only Manual</td>
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<td>LCD</td>
<td>Local Coverage Determination</td>
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<td>TOB</td>
<td>Type of Bill</td>
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Agenda

• Inpatient Dialysis Services

• Outpatient Dialysis Services
  – For ESRD and non-ESRD Patients

• Medicare Claims Processing Tips
Objective

• To provide an overview of benefits, policy, and billing for ESRD outpatient or inpatient services provided to beneficiaries
ESRD Providers

- Hospital-based ESRD facilities
  - Hospital-based or independent
  - Not considered part of the hospital
    - Do not qualify as provider-based departments
  - Located on a hospital campus
  - May share certain cost and functions with the hospital
  - Have separate provider numbers

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ESRD Providers

• Independent facility
  – Fails to qualify as a hospital-based
  – Termed: Renal Dialysis Center or Renal Dialysis Facility or
    • Under ESRD Prospective Payment System (PPS) CMS calls these ESRD facilities
  – Self-Dialysis Unit
    • Part of a Medicare certified ESRD facility
ESRD Providers

- Home Dialysis Training and Support ESRD Facility
  - Medicare certified ESRD facility
- Special Purpose facility
  - Furnished short-term, emergency usage, in geographical locations
ESRD PPS

• Renal dialysis services include all items and services given
  – Outpatient maintenance in the facility or patient’s home

• Payment is made on per treatment basis
  – 3 treatments per week, unless there is medical justification for more than 3 weekly treatments
ESRD Consolidated Billing

• Single payment made for renal dialysis services include
  – supplies and equipment used to administer dialysis, drugs, biologicals, laboratory tests, and support services

• https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ESRDpayment/Consolidated_Billing.html
ESRD PPS Exclusions

• Inpatient coverage
  – PPS/DRG payment for the reason of admission

• Outpatient procedures
  – Necessary to maintain vascular access, not considered routine

• Emergency dialysis services

• Physician professional services
Dialysis Services in a SNF

• Renal dialysis services are excluded from SNF consolidated billing
  – A skilled nursing facility (SNF) may qualify as a beneficiary’s home
  – SNFs may not be paid for home dialysis supplies, drugs Epoetin alfa (EPO) or Darbepoetin alfa (Arnesp)
  – Renal Dialysis Facility (RDF) bill for services
Inpatient Dialysis
Covered Inpatient Hospital Services

• Under certain circumstances renal dialysis may be covered as inpatient services depending on the patient’s condition

• Acute dialysis
  – Patients undergoing short-term dialysis until their kidneys recover from an acute illness
Covered Inpatient Hospital Services

- Episodic dialysis
  - Persons with borderline renal failure who develops acute renal failure
- Billed to Medicare with 11X TOB
  - Payment included in the DRG
No Part A Hospital Coverage

• Acute dialysis with or without renal disease
• Patient not eligible for Part A
  – Exhaust benefit days
  – Only Part B coverage
• Inpatient services payable under Part B
  – Beginning 2014 use TOB 13X
Hospital Part B Inpatient Services

Revenue codes not payable on TOB 12X

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Outpatient Dialysis
ESRD Services

• Services under ESRD benefit
  – Maintenance and services directly related to dialysis, TOB 72X

• Services *not* under ESRD benefit
  – Paid under Outpatient Prospective Payment System (OPPS), TOB 13X
  – Paid at reasonable cost, 85X
Unscheduled Dialysis

• Performed following or in connection with a dialysis-related
  – Vascular access procedure
  – Blood transfusions

• Treatment for an unrelated medical emergency
  – Patient goes to the emergency room for chest pains and misses a regularly scheduled dialysis treatment that cannot be rescheduled
Unscheduled Dialysis

- Use revenue code 0829 with condition code 71, full care in unit, and provide documentation for the unrelated medical emergency in the remarks field

- Emergency dialysis for ESRD patients who would otherwise have to be admitted as inpatients
  - HCPCS code G0257 billed on 13X or 85X
Billing Reminders
Laboratory Services

• Laboratory services included in base rate
  – AY modifier used when laboratory service is not related

• Emergency room (ER) laboratory services
  – AY modifier not required
Laboratory Services

- ER laboratory services
  - Patient’s illness and ESRD-related condition unknown
  - Modifier ET attests ER laboratory services when revenue code 045X date of service differs from laboratory test date of service
Drugs and Biologicals

• Drugs included in the composite rate are included in the base rate
  – Bill based on drug list, began with date of service (DOS) January 1, 2015
  – No separate payment nor included in the outlier policy
• Use AY modifier when drugs are not a dialysis service
Drugs and Biologicals

- Oral or other forms of renal dialysis drugs
  - Bill line item per prescription
  - Quantity taken home and used during the billing period

- Oral and injectable drugs
  - Eligible for outlier services
  - Included in the ESRD PPS base rate
Drugs and Biologicals

- ESAs and their oral form
  - Considered *always* RDF services for ESRD patients
  - JEA LCD L33356
  - JFA LCD L26381

- Oral forms of non-injectable drugs
  - Not included in ESRD PPS
  - Delayed until January 2024
ESRD Syringe Proper Billing

• Pre-filled with medication should not
  – Require another syringe
  – Supply charge cannot be billed
• HCPCS code A4657 – syringes with or without needle each
• Number of syringes should equal the medication administered
ESRD Use of JW Modifier

- JW modifier is only applied to the amount of drug or biological that is discarded
  - Applies to clinics and hospitals outpatient departments
- Bill separate line items; used and wasted
  - JW modifier is appended to the wasted drug line
  - Both line items would be processed for payment
  - Optional, not required
ESRD Use of KX Modifier

• Properly used when for extra sessions
  – Ascertained by a licensed healthcare professional within scope of practice
  – Physician’s order for the added session(s)
  – Documented diagnosis of medical necessity in patient’s medical record
  – Append KX on the line item in excess of the maximum treatments
Ultrafiltration Billing

- Ultrafiltration is commonly done during the first hour or two of hemodialysis
  - Performed on same day no separate payment
- May be performed separately due to patient complications
  - Document in medical record reason(s)
  - Report appropriate diagnosis code on the claim
  - KX modifier for medical justification when in excess of maximum treatments
RESOURCES
CMS Resources

• Hospital Dialysis Services For Patients With and Without End Stage Renal Disease (ESRD), Section 200.2

• Circumstances Which Payment Cannot Be Made under Part A, Section 240.2
CMS Resources

- ESRD PPS Changes for Calendar Year (CY) 2015

- Billing for Syringes Used in the Treatment of ESRD Patients
CMS Resources

• CMS Internet Only Manual, Publication 100-04 Medicare Claims Processing manual, Chapter 8, Sections 10-80

• ESRD PPS Fact Sheet
Questions?
Thank you!