



CSR Inquiry Assistance

Related Medlearn Matters Article #: MM4103

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Clarification and Update to Hospital Billing Instructions and Payment for Epoetin Alfa (EPO) and Darbepoetin Alfa (Aranesp) for Beneficiaries with End Stage Renal Disease (ESRD)

Key Words

MM4103, CR4103, Transmittal R736CP, MM3184, CR3184, Transmittal R197CP, Epoetin, Alfa, EPO, Darbepoetin, Aranesp, ESRD, Q4055, Q4054, J0886, J0882, 12X, 13X, 85X

Provider Types Affected

Hospitals billing Medicare fiscal intermediaries (FIs) for Epoetin Alfa (EPO) and Darbepoetin Alfa (Aranesp) for beneficiaries with End Stage Renal Disease (ESRD).

Key Points

- The effective date of the instruction is January 1 and April 1, 2006.
- The implementation date is April 3, 2006.
- The Centers for Medicare & Medicaid Services (CMS) issued Change Request (CR) 3184 (Transmittal 197, dated June 4, 2004), which included the requirement for hospitals to report:
 - Healthcare Common Procedure Coding System (HCPCS) code Q4055 (EPO) with revenue codes 0634 and 0635 for EPO administered to beneficiaries with ESRD in the emergency room setting; and
 - Value code 49 with the latest hematocrit reading taken during the current billing period for outpatient claims with HCPCS codes Q4054 (Aranesp) and Q4055 (EPO).
- CR4103 corrects current system problems with the reporting and payment for EPO and Aranesp on inpatient Part B claims.
- Effective January 1, 2006, the current codes for EPO (Q4055) and Aranesp (Q4054) are being terminated and replaced by J0886 for EPO and J0882 for Aranesp.

- Upon implementation of CR4103, the following changes will be applied to hospitals billing EPO and Aranesp for beneficiaries with ESRD:
 - Effective for claims with dates of service on or after January 1, 2004, hospitals billing for HCPCS code Q4054 or J0882, depending on the date of service and under the inpatient Part B benefit (bill type 12x), will be reimbursed under the same methodology applicable to the outpatient Part B setting using the payment allowance limit for Medicare Part B drugs;
 - Effective for claims (bill types 12X, 13X, or 85X) with dates of service on or after January 1, 2006, hospitals are no longer required to report the value code 49 when submitting claims with Aranesp and EPO; and
 - Effective for claims with dates of service on or after April 1, 2006, hospitals billing for J0886 (EPO) under the inpatient Part B benefit (bill type 12x), will:
 - Report the charges under the revenue code 0634 for EPO units under 10,000 and revenue code 0635 for EPO units over 10,000;
 - Report the total number of units as a multiple of 1000 units in the units field; and
 - Be reimbursed under the same methodology applicable to the outpatient Part B setting using the payment allowance limit for Medicare Part B drugs.
- All other rules for EPO and Aranesp not mentioned in CR 4103 are still applicable.
- To ensure that claims are processed correctly, it is important that hospitals note that:
 - When billing for EPO HCPCS J0886 as applicable on bill types 13X and 85X with dates of service from January 1, 2006, through March 31, 2006, to submit those claims on or after April 1, 2006; and
 - To submit claims on bill type 12X containing Q4054 or J0882, as applicable, on or after April 1, 2006. (Timely filing rules for such claims will be bypassed for 6 months following the April 1, 2006, implementation date.)

Important Links

<http://www.cms.hhs.gov/MedlearnMattersArticles/downloads/MM4103.pdf>

<http://www.cms.hhs.gov/Transmittals/downloads/R736CP.pdf>

<http://www.cms.hhs.gov/MedlearnMattersArticles/downloads/MM3184.pdf>

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