



End Stage Renal Disease (ESRD) Consolidated Billing

Purpose

This policy is intended to ensure correct provider reimbursement and serves only as a general resource regarding Molina Healthcare's reimbursement policy for the services described in this policy. It is not intended to address every aspect of a reimbursement situation, nor is it intended to impact care decisions. This policy was developed using nationally accepted industry standards and coding principles. In a conflict, federal and state guidelines, as applicable, and the member's benefit plan document supersede the information in this policy. Also, to the extent of conflicts between this policy and the provider contract language, the Provider contract language will prevail. Coverage may be mandated by applicable legal requirements of a State, the Federal government or the Centers for Medicare and Medicaid Services (CMS). References included were accurate at the time of policy approval. If there is a state exception, please refer to the state exception table listed below.

Policy Overview

Medicare provides payment under the ESRD Prospective Payment System (PPS) for all renal dialysis services furnished to ESRD beneficiaries for outpatient maintenance dialysis. As a result, ESRD facilities are accountable for and compensated for furnishing all renal dialysis services under the ESRD PPS directly or through arrangements.

Reimbursement Guidelines

The ESRD PPS (End Stage Renal Disease Prospective Payment System) implemented consolidated billing regulations that cover specific Part B items and services included in the ESRD facility's bundled payment. This consolidation encompasses services such as laboratory tests, drugs and biologicals, equipment, and supplies fall under consolidated billing.

Note that these services are no longer separately reimbursable when administered to ESRD beneficiaries by providers other than the ESRD facility. Under consolidated billing, ESRD facilities are required to deliver these services directly, or under an arrangement with an outside supplier.

If a provider other than the ESRD facility offers renal dialysis services to an ESRD beneficiary, that provider should seek payment from the ESRD facility instead of submitting a claim to their Medicare Administrative Contractor (MAC).

When a provider other than an ESRD facility administers renal dialysis services to an ESRD beneficiary for reasons unrelated to the treatment of ESRD, the claim submitted must include the AY modifier. Note that the AY modifier is necessary to enable separate payment under Medicare guidelines.

Example: If an ESRD beneficiary is also receiving treatment for cancer and undergoes a laboratory test related to their cancer care, the laboratory should include the AY modifier in the claim to receive payment for that specific service outside of the ESRD PPS.



Supplemental Information

Definitions

Term	Definition
CMS	The Centers for Medicare & Medicaid Services. It is a federal agency within the United States Department of Health and Human Services that administers the Medicare program and works in partnership with state governments to administer Medicaid, the Children's Health Insurance Program (CHIP), and health insurance portability standards.
DOS	Date of Service
ESRD	End Stage Renal Disease
MAC	Medicare Administrative Contractor
PPS	Prospective Payment System
UB	Uniformed Billing

State Exceptions

State	Exception
ALL (SC exclusion noted below)	<p>Concept Specific Inclusions:</p> <ul style="list-style-type: none"> • Include UB claims with following criteria as overpaid claims: <ul style="list-style-type: none"> ○ Same Member ○ Same Pay to NPI (National Provider Identifier) ○ Same Plan ID ○ Bundled payments made on composite dialysis payments. <ul style="list-style-type: none"> ▪ Composite paid claim line Revenue Code (82X, 83X, 84X 85X and 88X) ▪ Claims that are paid outside of composite payments based on clinical coding guidelines. • Only pull claims with CMS published specific CY ESRD PPS Consolidated billing service codes during claim service period (references included in section 2.2) • Exclude claims that have modifiers AY and AX for CPT J0606 and J0604 and J0878 Exclude claim with bill type starts with 11X and 13X • Exclude over paid claims with custom contracts like DAVITA and FRESENIUS – Except Florida
IL	<ul style="list-style-type: none"> • Exclude CPT: J0606
Medicare	<ul style="list-style-type: none"> • Exclude Rev Code 80X • Exclude Modifier AY • Exclude HCPCS code J0604
NY	<p>Exclude SUNY Health science Center claims past one-year DOS (Date of Service)</p> <ul style="list-style-type: none"> • Pay to Fed ID: 161469571, 1578554630

OH	<ul style="list-style-type: none"> Exclude Modifier 1: AY, 59, 91 Exclude CPT: J0606, 80047, 80048, 80051, 80053, 80069, 80076, 82306, 82330, 82575, 83550, 84466, 84540, 85046, 87075, 87081, J0604, J0610, J0882, J0887, J1200, J1270, J1756, J1940, J2501, J2916, Q0163, Q4081, Q5105 Exclude Rev Code: 0800, 0801, 0802, 0803, 0804, 0809, 0820, 0821, 0822, 0823, 0824, 0825, 0826, 0829, 0830, 0831, 0832, 0833, 0834, 0835, 0839, 0840, 0841, 0842, 0843, 0844, 0845, 0849, 0850, 0851, 0852, 0853, 0854, 0855, 0859, 0880, 0881, 0882, 0889, 800, 801, 802, 803, 804, 809, 820, 821, 822, 823, 824, 825, 826, 829, 830, 831, 832, 833, 834, 835, 839, 840, 841, 842, 843, 844, 845, 849, 850, 851, 852, 853, 854, 855, 859, 880, 881, 882, 889
SC	<ul style="list-style-type: none"> SC Medicaid does not pay ESRD (End Stage Renal Disease) PPS
WA	<ul style="list-style-type: none"> Exclude claims paid Medicaid method services in the Medicaid fee schedule. Reports should include: <ul style="list-style-type: none"> Contract description Contract term description Term type for both claims to aid in determining any special contract language.
WI	<ul style="list-style-type: none"> Exclude claims with Custom contracts 'MP - HOSP – HSHS' for WI

Documentation History

Type	Date	Action
Published		
Revised Date		

References

This policy was developed using.

- CMS
- State Medicaid Regulatory Guidance
- State Contracts

State/Agency	Document Name/Description	Link/Document
CMS	ESRD PPS Consolidated Billing ESRD PPS Outlier Services Items and Services Subject to ESRD Consolidated Billing	ESRD PPS Consolidated Billing CMS ESRD PPS Outlier Services CMS Items and Services Subject to ESRD PPS Consolidated Billing Effective 1-1-2022 - CR11506 (cms.gov)
AZ Medicaid	Fee For Services Billing Manual – Chapter 15 – Dialysis Services	FFS_Chap15Dialysis.pdf (azahcccs.gov)

CA Medicaid	Dialysis: End Stage Renal Disease	Dialysis: End Stage Renal Disease Services - CA.gov UB-04 Special Billing Instructions for Outpatient Services (CA.gov)
FL Medicaid	Florida Medicaid Provider General Handbook	Myflorida.com - Page 4-4
IA Medicaid	Iowa Legislature - IAC	iowa.gov - 441.79.1.pdf - Ch 79 - Page 47
IL Medicaid	Handbook for Practitioners Rendering Medical Services	IL Handbook for Practitioners Rendering Medical Services - Section 228 - Page 58
MI Medicaid	MDHHS Bulletin HASA 22-18 – Attachment II	HASA-22-18-Updates.pdf (michigan.gov)
MS Medicaid	Mississippi Division of Medicaid	Mississippi Division of Medicaid - PPS Consolidated Billing list
Nevada Medicaid	ESRD Facility and hospital-based provider types 45 and 81	NV BillingGuide PT45 and PT81 - Page 2
NY Medicaid	NY Department of Health – ESRD	ESRD (ny.gov)
OH Medicaid	OH, Laws and Administrative Rules – Legislative Services Commission	Rule 5160-13-02 - Ohio Administrative Code Ohio Laws
TX Medicaid	TX Medicaid and Healthcare Partnership sections: <ul style="list-style-type: none"> • Reimbursement Methodology Consolidated Billing • Renal Dialysis Facilities – Consolidated billing 	Renal Dialysis Benefits to Change for CSHCN September 1, 2023 TMHP
UT Medicaid	Utah Medicaid Provider Manual – Section 4- pages 4-6	EndStageRenalDisease.pdf (utah.gov)
WA Medicaid	Kidney Disease Program (KPD) Manual	Washington Apple - Kidney Disease Program Manual (01/01/2024)
WI Medicaid	Forward Health – Claims section 1 – Page 30	WI Gov - ESRD070122.pdf