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Implementation Date: October 4, 2004

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End Stage Renal Disease (ESRD) Reimbursement for Automated Multi-Channel Chemistry (AMCC) Tests

Provider Types Affected

Physicians, suppliers, and providers

Provider Action Needed

Physicians, suppliers, and providers should note that this instruction expands the implementation of certain processing rules to all bill types for Automated Multi-Channel Chemistry (AMCC) Tests for End Stage Renal Disease (ESRD) beneficiaries.

Background

The Office of Inspector General (OIG) conducted several studies that identified Medicare payments for End Stage Renal Disease (ESRD) laboratory related services which were not being paid in compliance with Medicare payment policy.

In response to the payment vulnerabilities identified by the OIG, the claims processing instructions contained in the *Medicare Claims Processing Manual (Pub 100-04, Transmittal 79, Chapter 16, Section 40.6.1)* directed all contractors to implement changes to ensure that all ESRD laboratory claims are paid in accordance with Medicare payment policy.

This instruction expands the implementation of procedures for reimbursement of Automated Multi-Channel Chemistry (AMCC) Tests to all bill types for ESRD beneficiaries.

Implementation

The implementation date for this instruction is October 4, 2004.

Related Instructions

Medicare will apply the rules identified in the *Medicare Claims Processing Manual, Pub 100-04, Chapter 16 (Laboratory Services from Independent Labs, Physicians, and Providers), Section 40.6.1 (Automated Multi-Channel Chemistry (AMCC) Tests for ESRD Beneficiaries - FIs)* to all bill types for AMCC tests for ESRD beneficiaries. This chapter can be found at:

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http://www.cms.hhs.gov/manuals/104_claims/clm104index.asp

An extract of Section 40.6.1 is included as follows:

40.6.1 – Automated Multi-Channel Chemistry (AMCC) Tests for ESRD Beneficiaries - FIs

This section will be updated Jul 04 – Visit http://www.cms.hhs.gov/manuals/pm_trans/R79CP.pdf to view updated section.

(Rev. 1, 10-01-03)

A-03-033

Medicare will apply the following rules to Automated Multi-Channel Chemistry (AMCC) tests for ESRD beneficiaries:

- Payment is at the lowest rate for services performed by the same provider, for the same beneficiary, for the same date of service.
- The facility must identify, for a particular date of service, the AMCC tests ordered that are included in the composite rate and those that are not included. See Chapter 8 for the composite rate tests for Hemodialysis, Intermittent Peritoneal Dialysis (IPD), Continuous Cycling Peritoneal Dialysis (CCPD), Hemofiltration, and Continuous Ambulatory Peritoneal Dialysis (CAPD).
- If 50 percent or more of the covered tests are included under the composite rate payment, then all submitted tests are included within the composite payment. In this case, no separate payment in addition to the composite rate is made for any of the separately billable tests.
- If less than 50 percent of the covered tests are composite rate tests, all AMCC tests submitted for that Date of Service (DOS) for that beneficiary are separately payable.
- A noncomposite rate test is defined as any test separately payable outside of the composite rate or beyond the normal frequency covered under the composite rate that is reasonable and necessary.

(See [§100.6](#) for details regarding pricing modifiers.)

The FI shared system must calculate the number of AMCC tests provided for any given date of service. The FI sums all AMCC tests with a CD modifier and divides the sum of all tests with a CD, CE, and CF modifier for the same beneficiary and provider for any given date of service

If the result of the calculation for a date of service is 50 percent or greater, the FI does not pay for the tests.

If the result of the calculation for a date of service is less than 50 percent, the FI pays for all of the tests.

All tests for a date of service must be billed on the monthly ESRD bill. Providers must send in an adjustment if they identify additional tests that have not been billed.

The organ and disease oriented panels (80049, 80051, 80054, and 80058) are subject to the 50 percent rule. Laboratory tests that are not covered under the composite rate and that are furnished to CAPD end stage renal disease (ESRD) patients dialyzing at home are billed in the same way as any other test furnished home patients.

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Additional Information

The official instruction issued to your carrier regarding this change may be found by going to:

http://www.cms.hhs.gov/manuals/transmittals/comm_date_dsc.asp

From that web page, look for CR3239 in the CR NUM column on the right, and click on the file for that CR. If you have any questions, please contact your carrier/intermediary at their toll-free number, which may be found at:

<http://www.cms.hhs.gov/medlearn/tollnums.asp>

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