# CMS Manual System

## Pub. 100-20 One-Time Notification

**Department of Health & Human Services (DHHS)**
**Centers for Medicare & Medicaid Services (CMS)**

| Transmittal 36 | Date: DECEMBER 24, 2003 |
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**CHANGE REQUEST 3037**

**I.  SUMMARY OF CHANGES:**  This one-time notification modifies coding instructions previously released in Transmittal 18, on October 31, 2003 (Change Request 2963).  This notification reactivates code J0880 for Medicare effective for dates of service on and after January 1, 2004.

**NEW/REVISED MATERIAL - EFFECTIVE DATE:  January 1, 2004**
**\*IMPLEMENTATION DATE:  January 5, 2004**

**II.      CHANGES IN MANUAL INSTRUCTIONS: N/A**
   **(R = REVISED, N = NEW, D = DELETED – (*Only One Per Row.*))**

| R/N/D | CHAPTER/SECTION/SUBSECTION/TITLE |
|---|---|
|  | N/A |
|  |  |
|  |  |
|  |  |

**\*III.  FUNDING:**

**These instructions shall be implemented within your current operating budget.**

**IV.  ATTACHMENTS:**

|  | Business Requirements |
|---|---|
|  | Manual Instruction |
|  | Confidential Requirements |
| X | One-Time Notification |
|  | Recurring Update Notification |

**\*Medicare contractors only**

# One-Time Notification

| Pub. 100-20 | Transmittal: 36 | Date: December 24, 2003 | Change Request 3037 |
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**SUBJECT: Additional Modification Regarding Change Request (CR) 2963:  Change in Coding on Medicare Claims for Darbepoetin Alfa (trade name Aranesp) and Epoetin Alfa (trade name Epogen, EPO) For Treatment of Anemia In End Stage Renal Disease (ESRD) Patients On Dialysis**

## I.     GENERAL INFORMATION

This notification modifies Transmittal 18, (CR 2963) issued on October 31, 2003, by reactivating HCPCS code J0880 for Medicare purposes effective January 1, 2004. Effective for dates of service on and after January 1, 2004, J0880 will only be billable when administered in a physician's office.

### A.     Background:

Prior to CR 2963 there had not been a HCPCS code that specifically identified usage for Darbepoetin Alfa (trade name Aranesp) for End Stage Renal Disease (ESRD).  CR 2963 established a new HCPCS code (Q4054) for ESRD Aranesp usage only.  This Q-code is effective for services provided on or after January 1, 2004.  In addition, CR 2963 specified that HCPCS code J0880 would no longer be paid by Medicare effective January 1, 2004.

### B.     Policy:

The code J0880 injection, darbepoetin alfa 5 mcg, was listed on the 2004 HCPCS tape as "Not Payable by Medicare" as of January 1, 2004.  This notification modifies CR 2963 by removing this anticipated change in the status of the J0880 for 2004.  However, J0880 will only be billable when administered in a physician's office to non-ESRD patients not on dialysis.  The code J0880 will not be recognized by Medicare's outpatient code editor (OCE) or on Medicare bills from dialysis facilities.  The code Q0137, injection, darbepoetin alfa, 1 mcg (non-ESRD use) will remain active in all non-ESRD settings.

For 2004, physicians have the option of using either Q0137 or J0880 to bill for darbepoetin alfa for non-ESRD patients not on dialysis.  For ESRD patients on dialysis treated in a physician's office, code Q4054, "injection, darbepoetin alfa, 1 mcg (for ESRD patients)," should continue to be used with the hematocrit included on the claim. (For ANSI 837 transactions, the hematocrit (Hct) value is reported in 2400 MEA03 with a qualifier of R2 in 2400 MEA02.)  Claims without this information will be denied due to lack of documentation, as described in CR 2963.  Physicians who provide Aranesp for ESRD patients on dialysis must bill using code Q4054.

**NOTE**: Billing J0880 and Q0137 for non-ESRD use on the same date of service is not allowable.  Billing J0880 and Q4054 for ESRD related use on the same date of service is not allowable.

## C.    Provider Education:

Intermediaries and carriers shall inform affected providers by posting either a summary or relevant portions of this document on their Web site within 2 weeks.  Also, intermediaries and carriers shall publish this same information in their next regularly scheduled bulletin. If they have a listserv that targets affected providers, they shall use it to notify subscribers that information about the modification in the status of code J0880 is available on their Web site.

## II.    BUSINESS REQUIREMENTS

*"Shall" denotes a mandatory requirement*
*"Should" denotes an optional requirement*

| Requirement # | Requirements | Responsibility |
|---|---|---|
| 3037.1 | Carriers shall make whatever changes necessary to make J0880 payable for January 1, 2004 and forward. | Carriers |
| 3037.2 | Carriers shall manually change the procedure status code in the 2004 Medicare physician fee schedule for J0880 from I to E. | Carriers |
| 3037.3 | Carriers shall pay claims for HCPCS code J0880 only when administered in a physician's office. | Carriers |
| 3037.4 | Carriers shall deny claims  when Q0137 and J0880 are billed on the same date of service. (Physicians have the option of using one or the other but not both.) | Carriers |
| 3037.5 | Carriers shall deny claims when J0880 and Q4054 are billed on the same date of service. | Carriers |
| 3037.6 | When denying claims billed with  J0880 and Q0137 or J0880 and Q4054 on the same date of service, carriers shall use Medicare Summary Notice (MSN) 6.5.  ("Medicare cannot pay for this injection because one or more requirements for coverage were not met.") | Carriers |
| 3037.7 | Carriers shall use Adjustment Reason Code B5 when MSN 6.5 is used for the above denial (see | Carriers |

| | requirements 3037.4 and 3037.5)<br><br>("Claim/service denied because coverage guidelines were not met or were exceeded.") | |
|---|---|---|
| 3037.8 | For the latest payment limit amounts for J0880, Q0137, and Q4054, carriers shall refer to the 2004 DIMA Drug Payment Limits File that is available on the CMS Web site at:<br><br>**http://www.cms.gov/providers/drugs/default.asp** | Carriers |

## III.  SUPPORTING INFORMATION & POSSIBLE DESIGN CONSIDERATIONS

**A.   Other Instructions:  N/A**

| X-Ref Requirement # | Instructions |
|---|---|
| | |

**B.   Design Considerations:  N/A**

| X-Ref Requirement # | Recommendation for Medicare System Requirements |
|---|---|
| | |

**C.   Interfaces:  N/A**

**D.   Contractor Financial Reporting /Workload Impact:  N/A**

**E.   Dependencies:  N/A**

**F.   Testing Considerations:  N/A**

## IV.  SCHEDULE, CONTACTS, AND FUNDING

| | |
|---|---|
| **Effective Date:** January 1, 2004<br><br>**Implementation Date:** January 5, 2004<br><br>**Pre-Implementation Contact(s): Carol Blackford (410) 786-5909**<br><br>**Post-Implementation Contact(s):**<br>**Regional Office** | These instructions shall be implemented within your current operating budget. |