
Medicare Intermediary Manual Part 3 - Claims Process

Department of Health and
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HEADER SECTION NUMBERS

3644 (Cont.) – 3644 (Cont.)

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6-206.2A – 6-206.9 (9 pp.)

PAGES TO DELETE

6-206.2 – 6-206.10 (10 pp.)

NEW/REVISED MATERIAL--EFFECTIVE DATE: 12/01/00

IMPLEMENTATION DATE: 12/01/00

Section 3644, Dialysis for End Stage Renal Disease (ESRD) -- General, has been revised to provide coverage, billing and payment instructions for sodium ferric gluconate complex in sucrose injection for first line treatment of iron deficiency anemia in patients undergoing chronic hemodialysis who are receiving supplemental erythropoietin therapy.

These are effective for claims with dates of service on or after December 1, 2000.

Until a more specific HCPCS code is assigned, use J3490 to bill for this drug.

These instructions should be implemented within your current operating budget.

DISCLAIMER: The revision date and transmittal number only apply to the redlined material. All other material was previous published in the manual and is only being reprinted.

In cases where the facility is billing for both a supply and for administrations, it totals the units supplied and the units administered and shows this amount for value code 68. Item 52, Units of Service, is completed for administrations only.

EXAMPLE: The facility provides a supply of 65,000 units and two administrations in the facility amounting to 5,000 units. The following entries appear on the bill:

<u>Revenue Code</u>	<u>Units</u>
634	2
635	
<u>Value Code</u>	<u>Amount</u>
68	70,000

Use the payment logic shown in this subsection. Base the coinsurance and deductible on the Medicare allowance payable. The provider may not charge the beneficiary more than 20 percent of the EPO allowance.

A normal month's supply is approximately 35,000 - 40,000 units. Edit value code 68 to identify claims with amounts over 90,000 and request the provider to verify the value amount.

For payment policy see Chapter 27 of the PRM, Part I, §2710.3.

See §§3900ff. for MR of EPO administration.

E. Payment for Intravenous Iron Therapy.--Iron deficiency is a common condition in end stage renal disease (ESRD) patients undergoing hemodialysis. Iron is a critical structural component of hemoglobin, a key protein found in normal red blood cells (RBCs) which transports oxygen. Without this important building block, anemic patients experience difficulty in restoring adequate, healthy RBC (hematocrit) levels. Clinical management of iron deficiency involves treating patients with iron replacement products while they undergo hemodialysis.

For claims with dates of service on or after December 1, 2000, sodium ferric gluconate complex in sucrose injection is covered by Medicare for first line treatment of iron deficiency anemia in patients undergoing chronic hemodialysis who are receiving supplemental erythropoietin therapy. In renal dialysis centers, payment is made at 95% average wholesale price (AWP). In hospital outpatient departments, payment is made under the outpatient prospective payment system. Payment is made on a reasonable cost basis in critical access hospitals (CAHs). Deductible and coinsurance apply.

Follow the general bill review instructions in §3604. Providers bill you on Form HCFA-1450 or electronic equivalent.

Applicable Bill Types.--The appropriate bill types are 13X, 72X, 82X and 85X.

Providers utilizing the UB-92 flat file use record type 40 to report bill type. Record type (Field No. 1), sequence number (Filed No. 2), patient control number (Field No. 3), and type of bill (Field No. 4) are required. Providers utilizing the hard copy UB-92 (Form HCFA-1450) report the applicable bill type in Form Locator (FL) 4 "Type of Bill". Providers utilizing the Medicare A 837 Health Care Claim version 3051 implementations 3A.01 and 1A.C1, report the applicable bill type in 2-130-CLM01, CLM05-01, and CLM05-03.

Revenue Code Reporting.--Providers report revenue code 633. Providers utilizing the UB-92 flat file use record type 61, Revenue Code (Field No. 5). Providers utilizing the hard copy UB-92 report

the revenue code in FL 42 "Revenue Code." Providers utilizing the Medicare A 837 Health Care Claim version 3051 implementations 3A.01 and 1A.C1, report the applicable revenue code in 2-395-SV201.

HCPCS Reporting.--Until a specific code for sodium ferric gluconate complex in sucrose injection is developed, providers report HCPCS code J3490 (Unclassified drugs). Providers utilizing the UB-92 flat file use record type 61, HCPCS code (Field No. 6) to report HCPCS code. Providers utilizing the hard copy UB-92 report the HCPCS code in FL 44 "HCPCS/Rates." Providers utilizing the Medicare A 837 Health Care Claim version 3051 implementations 3A.01 and 1A.C1, report the HCPCS/CPT in 2-395-SV202-02.

F. Payment for Drugs Furnished in Independent Dialysis Facilities.--Make payment for drugs furnished in independent dialysis facilities, and paid outside the composite rate, based on the lower of billed charges or the payment limit provided in §3644.E.2. Coinsurance and deductible apply to allowed charges.

The payment methodology for hospital-based facilities does not change.

1. Billing Procedures.--Facilities identify and bill for drugs by HCPCS code, along with revenue code 636, "Drugs Requiring Specific Information." The listing below includes the HCPCS code and indicates the lowest common denominator for the dosage. (See §3644.E.2.) Facilities use the units field as a multiplier to arrive at the dosage amount.

EXAMPLE:

<u>HCPCS</u>	<u>Drug</u>	<u>Dosage (lowest denominator)</u>	<u>Amount</u>
J3360	Valium	5mg	\$2.00

Actual dosage, 10mg.

On the bill, the facility shows J3360 and 2 in the units field (2 x 5mg = 10mg).

For independent facilities, compare the price of \$4.00 (2 x \$2.00) to the billed charge and pay the lower, subject to coinsurance and deductible.

NOTE: When the dosage amount is greater than the amount indicated for the HCPCS code, the facility rounds up to determine units. In the example above, if the dosage were 7mg, the facility would show 2 in the units field.

Facilities bill for supplies used to administer the drug with revenue code 270, "Medical/Surgical Supplies." The number of administrations is shown in the units field. Pay \$.50 for each administration to independent facilities. This covers the cost of any size syringe, swabs, needles and gloves.

EXAMPLE:

<u>Revenue Code</u>	<u>Units</u>
270	3

The price is \$1.50, subject to coinsurance and deductible.

Hospital-based facilities use the HCPCS codes in §§3644.E.2 and 3 to identify drugs.

2. Amounts for Drugs Billed by ESRD Facilities.--You are responsible for developing allowed amounts for each year based on the Drug Topics Red Book or a similar source. You must do this within 90 days of publication of the annual Drug Topics Red Book. The following amounts have been developed using the lowest average wholesale price (AWP) for the corresponding generic drug, if available, and for the original drug if a generic is not available. The administered dosage figures are from the HCPCS Table of Drugs for 1991. Use the 1991 prices as examples when you develop prices for subsequent years. The HCPCS are subject to change in years after 1991.

<u>Name of Drug</u>	<u>Admin. Dosage</u>	<u>Route</u>	<u>1991 HCPCS Code(s)</u>	<u>1991 Amount</u>
<u>Ampicillin</u>	500 mg	IM/IV/INF	J0290	2.07
<u>Benzquinamide HCL</u> o Emeta-con	50 mg	IV	J0510	4.88
<u>Betamethasone</u> o Celestone	6 mg	IV/0th	J0700	1.50
<u>Calcitonin Salmon</u> o Calcimar	400u	INJ	J0630	35.99
<u>Calcitriol</u> o Calcijex	1mcg	IM	J0635	9.18
<u>Calcium Gluconate</u>	10ml	INJ	J0610	.43
<u>Cefazolin Sodium</u> o Ancef o Kefzol	500mg	IV/INF	J0690	1.42
<u>Cefonicid Sodium</u> o Monocid	1gm	IV	J0695	21.45
<u>Cefoxitin Sodium</u> o Mefoxin	1gm	IM/IV	J0694	8.53
<u>Ceftriaxone Sodium</u> o Rocephin	250mg	IM/IV	J0696	9.61
<u>Cefuroxime Sodium</u> o Zinacef	750mg	INJ	J0697	6.77
<u>Cephalothin Sodium</u> o Keflin	1gm	IV/INF	J1890	2.82
<u>Cephapirin Sodium</u> o Cefadyl	1gm	IV/INF/0th	J0710	3.75
<u>Chlorpromazine Hydrochloride</u> o Thorazine o Chlorpromanyl o Largactil o Novo-Chlorpromazine o Thor-Pram	50mg	IM	J3230	.36

<u>Name of Drug</u>	<u>Admin. Dosage</u>	<u>Route</u>	<u>1991 HCPCS Code(s)</u>	<u>1991 Amount</u>
<u>Codeine Phosphate</u>	30mg	INJ	J0745	.60
<u>Deferoxamine Mesylate</u> o Desferal	500mg	IV	J0895	8.19
<u>Diazepam</u> o Valium o E-Pam o Meval o Novodipam o Stresspam o Apo-Diazepam	5mg	IV/IM	J3360	2.00
<u>Dimenhydrinate</u> o Dramamine	50mg	IV	J1240	1.80
<u>Droperidol</u> o Inapsine	5mg	IV	J1790	3.40
<u>Estradiol Valerate</u> o Delestrogen	10mg 20mg 40mg	INJ INJ INJ	J1380 J1390 J0970	.37 .53 .72
<u>Estrogens Conjugated</u> o Premarin	2mg	IV/IM	J1410	.28
<u>Fluphenazine Decanoate</u> o Prolixin Decanoate	25mg	IM/SC	J2680	3.00
<u>Fentanyl Citrate</u> o Sublimaze	2ml	IV/IM	J3010	2.07
<u>Furosemide</u> o Lasix	20mg	IV/0th	J1940	.50
<u>Gentamicin Sulfate</u> o Garamycin o Cidomycin o Gentafair o Jenamicin	80mg	IV/INF	J1580	1.05
<u>Haloperidol Decanoate</u> o Haldol Decanoate	5mg 50mg	INJ INJ	J1630 J1631	.71 24.49
<u>Hepatitis B Vaccine (Recombivax)</u> o Engerix-B	20mcg	INJ	90731	49.20
<u>Hydrocortisone Sodium Succinate</u> o Solu-Cortef	100mg	IV	J1720	1.85

<u>Name of Drug</u>	<u>Admin. Dosage</u>	<u>Route</u>	<u>1991 HCPCS Code(s)</u>	<u>1991 Amount</u>
<u>Hydromorphone</u> o Dilaudid	4mg	INJ	J1170	1.08
<u>Hydroxyzine Hcl</u>	25mg	IM	J3410	.21
<u>Iron Dextran</u> o Imferon	10cc	INF	J1780	8.80
<u>Kanamycin Sulfate</u> o Kantrex	500mg	INJ	J1840	2.82
<u>Meperidene</u> o Demerol HCL	50mg	INJ	J2175	.38
<u>Medroxyprogesterone Acetate</u> o Deprovera	100mg	INJ	J1050	6.68
<u>Methicillin Sodium</u> o Staphcillin	1gm	IV	J2970	6.17
<u>Methylprednisolone Sodium</u> o Succinate	40mg	INJ	J2920	1.15
	125mg	INJ	J2930	2.64
<u>Metoclopramide HCL</u> o Reglan	10mg	IV	J2765	2.11
<u>Morphine Sulfate</u>	10mg	INJ	J2270	.52
<u>Nadrolone Decanoate</u>	50mg	INJ (IM)	J2320	1.40
	100mg	INJ	J2321	.92
	200mg	INJ	J2322	1.84
o Anabolin L.A.				
o Androlone-D				
o Decudurabolin				
o Decolone				
o Hybolin Decanoate				
o Kabolin				
o Nandrobolic L.A.				
o Neo-Durabolic				
<u>Nandrolone Phenpropionate</u>	50mg	INJ (IM)	J0340	1.23
<u>Oxacillin Sodium</u> o Bactocill o Prostaphlin	250mg	IV/IM	J2700	.55
<u>Penicillin G Potassium</u>	1,000,000u	IV/IM	J2540	.55
<u>Penicillin G Procaine</u>	600,000u	IM	J0530	2.93

<u>Name of Drug</u>	<u>Admin. Dosage</u>	<u>Route</u>	<u>1991 HCPCS Code(s)</u>	<u>1991 Amount</u>
<u>Penicillin G</u> <u>Aqueous</u>				
<u>Pentazocine</u> <u>Lactate</u> o Talwin	30mg	IV/IM/SC	J3070	1.35
<u>Phenobarbitol Sodium</u>	120mg	INF/0th	J2560	2.09
<u>Phenytoin Sodium</u> o Dilantin	250mg	IV	J1165	2.20
<u>Pneumococcal Vaccine,</u> <u>Polyvalent</u> o Pneumovax 23 o Pnu-Immune 23	----	----	90732	9.58
<u>Prochlorperazine</u> o Compazine o Stemetil	10mg	INJ	J0780	1.68
<u>Promethazine Hcl</u> o Phenergan	50mg	IM	J2550	.18
<u>Protamine</u> <u>Sulfate</u>	50mg	IV	J2720	3.55
<u>Streptomycin</u>	1gm	IM	J3000	2.19
<u>Testosterone</u> <u>Cypionate</u> o Depo-testosterone	100mg 1cc/200mg	INJ INJ	J1070 J1080	.33 .72
<u>Testosterone</u> <u>Enanthate</u> o Delatestryl	100mg 200mg	IM IM	J3120 J3130	.46 .56
<u>Thiethylperazine Malate</u> o Torecan	10mg	IM	J3280	2.28
<u>Tobramycin Sulfate</u> o Nebcin	80mg	IV/IM	J3260	6.83
<u>Triamcinolone</u> <u>Acetonide</u> o Kenalog	10mg	INJ	J3301	1.63
<u>Trimethobenzamide Hcl</u> o Tigan	200mg	IM	J3250	.54
<u>Urokinase</u> o Abbokinase	250,000u IV		J3365	286.85
<u>Vancomycin</u> <u>Hydrochloride</u> o Vancocin	500mg	IV	J3370	7.80

<u>Name of Drug</u>	<u>Admin. Dosage</u>	<u>Route</u>	<u>1991 HCPCS Code(s)</u>	<u>1991 Amount</u>
<u>Vitamin B12</u> o Cyanocobalamin	1000mcg	IM/SC	J3420	.06
<u>Vitamin K</u> o Aquamephyton	10mg	INJ	J3430	2.41

3. Amounts for Drugs Furnished Method II Beneficiaries by Independent Facilities.--

<u>Name of Drug</u>	<u>Admin. Dosage</u>	<u>Route</u>	<u>1991 HCPCS Code(s)</u>	<u>1991 Amount</u>
Albumisol o Albumin	5%/500ml 25%/50ml	IV IV	J7080 J7090	95.00 47.80
Aminophyllin	250mg	INJ	J0280	.58
Digoxin o Lanoxin	0.5mg	IV/0th	J1160	1.80
Diphenhydramine Hcl o Benadryl	50mg	IV	J1200	.95
Hydralazine o Apresoline Hcl	20mg	INJ	J0360	2.50
Procainamide Hcl o Pronestyl	1gm	IV/INF	J2690	3.50
Propranolol Hcl o Inderal	1mg	IV	J1800	2.52

4. Use of Additional Codes.-- If there is no code listed for a drug (e.g., a new drug), the facility bills using HCPCS code J3490, "Unclassified Drugs," and submits documentation identifying the drug. To establish a code for the drug, check HCPCS as well as the lists included in §§3644.E. 2 and 3 for a code since the lists are not all inclusive. Also, check with the local carrier who may have a code that is appropriate. Price the drug using the average wholesale price (AWP) for the corresponding generic drug, if available, in the most recent annual edition of the Red Book. Use the brand name if there is no generic.

If a dialysis facility submits acceptable documentation which supports the name brand as medically necessary, establish a local code and determine the appropriate payment using the Red Book AWP.

Report assignment of additional local codes along with the definition, route of administration, dosage and billing frequency by the 15th of the month following each quarter to:

Health Care Financing Administration
 Division of Institutional Claims Processing CHPP, PBEG
 C4-10-07
 7500 Security Blvd.
 Baltimore, MD 21244

Send a copy to the HCPCS coordinator in your RO.

5. Edits.--The codes listed in §3644.E. 3 may be billed only for beneficiaries who have selected Method II. Edit to ensure that bills for these codes are for Method II beneficiaries.

G. Blood and Blood Services Furnished in Hospital-Based and Independent Dialysis Facilities.

1. **General.**--The following blood-related items and services furnished to dialysis patients outside the dialysis unit, e.g., in the hospital's laboratory, are paid in addition to the composite rate:

- a. Blood; and
- b. Supplies used to administer blood.

Pay blood processing fees (e.g., blood typing, crossmatching) that are imposed on the dialysis facility by the blood supplier or other laboratory in addition to the composite rate.

Do not pay for any facility staff time used to perform any service in the dialysis unit, including time to administer blood, in addition to the composite rate.

2. **Payment Basis.**--

a. For hospital-based facilities, when blood-related items and services described in §§3644F. 1.a. and b. are paid for in addition to the composite rate, payment is made on a reasonable cost basis in the same way as for any other Medicare beneficiary receiving blood on an outpatient basis. In determining the reasonable cost for blood, consider the charges for blood from independent blood banks.

b. For independent dialysis facilities, when blood-related items and services described in §§3644F. 1.a. and b. are paid for in addition to the composite rate, payment is made on a reasonable charge basis. Payment is made at the lower of the actual charge on the bill or a reasonable charge that you determine. In establishing the reasonable charge, consider price lists of independent blood banks (e.g., Red Cross or hospital) that offer services to providers in your area. Also, consider carrier allowable charges, where available.

3. **Billing and Payment.**--The following revenue codes and HCPCS codes are available for billing for blood and blood products supplied by hospital-based and independent facilities in 1991. (Consult your HCPCS directory for appropriate codes for periods after 1991. The codes are subject to change.):

<u>Revenue Code</u>	<u>1991 HCPCS Code</u>	<u>Definition</u>
(Facilities use the HCPCS code along with the revenue code.)		
380	P9022	Washed red blood cells, each unit
381	P9021	Red blood cells, each unit
382	P9010	Blood (whole), for transfusion, per unit
383	P9017	Plasma, Single donor, fresh frozen, each unit
383	P9018	Plasma Protein fraction, each unit
384	P9019	Platelet concentrate, each unit

384	P9020	Platelet rich plasma, each unit
385	P9016	Leucocyte poor blood, each unit
386	P9013	Fibrinogen, unit
387	P9012	Cryoprecipitate, each unit

Laboratory Codes

(Facilities use revenue code 390 with these codes.)

86006	Antibody, non-RBC, qualitative; first antigen, slide or tube
86007	each additional antigen
86008	Antibody, non-RBC, quantitative; first antigen
86009	each additional antigen
86011	Antibody, detection, leukocyte antibody
86012	Antibody absorption, cold auto absorption; per serum
86013	differential
86014	Antibody, platelet antibodies (agglutinins)
86016	Antibody screen, RBC, each serum
86019	Antibody (RBC) elution, any method, each elution
86021	Antibody identification; leukocyte antibodies
86022	platelet antibodies
86023	platelet associated immunoglobulin assay
86024	RBC antibodies (each panel)
86031	Antihuman globulin test; direct (Coombs) (broad, IGG and non-IGG), each
86032	indirect, qualitative (broad, gamma or nongamma), each
86033	indirect, titer (broad, gamma or nongamma), each
86034	enzyme technique, qualitative
86038	Antinuclear antibodies (ANA), RIA
86060	Antistreptolysin O; titer
86063	screen
86064	Antitrypsin, alpha-1; RIA
86066	PI (protease inhibitor) typing
86067	other method (specify)