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## *Clarification of Epoetin Alfa (EPO) Billing Procedures and Codes in ESRD*

### Provider Types Affected

Physicians, suppliers, and renal dialysis facilities (RDFs) caring for patients with End Stage Renal Disease (ESRD)

### Provider Action Needed

Physicians, suppliers, and RDFs should note that this Special Edition provides an overview of the differences between Medicare's billing procedures and codes for End Stage Renal Disease Renal Disease (ESRD) usage of EPO/DPA.

### Background

#### *Epoetin Alfa (EPO) Billing Procedures and Codes*

The Centers for Medicare & Medicaid Services (CMS) has assigned a new HCPCS code (Q4055) for EPO, and the new Healthcare Common Procedure Coding System (HCPCS) code (Q4055) is provided for ESRD EPO usage only. Also, CMS has deleted all the current "Q" codes (Q9920 through Q9940) established for ESRD patients on EPO.

All other rules still apply for billing EPO for ESRD related anemia.

Intermediaries pay for EPO to ESRD facilities as a separately billable drug to the composite rate. No additional payment is made to administer EPO, whether in a facility or a home. Medicare beneficiaries dialyzing from home may choose between two methods of payment.

**EPO payment is in addition to the composite rate** and the following billing procedures are to be used for EPO administered in your facility. Identify EPO and the number of injections by:

- Revenue Code 634: EPO administration of less than 10,000 units; and
- Revenue Code 635: EPO administration of equal to or more than 10,000 units.

The following value codes should be used for reporting Hemoglobin and Hematocrit readings:

- Hemoglobin (Hgb) Reading: Value Code 48; and
- Hematocrit (Hct) Reading: Value Code 49.

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In addition, use value code **68** for reporting the number of EPO units administered during the billing period. And, remember to include the HCPCS code Q4055 on the claim.

*Summarizing for EPO*

For dates of service on and after January 1, 2004, claims include the following:

- Bill Type = 721 (Clinic ESRD First Service to Last Service) or other bill type as applicable
- Revenue Code = 634 or 635 (according to units administered)
- HCPCS Codes = Q4055 (Required)
- Units = number of administrations (not to exceed 13 for a 30-day month or 14 for a 31-day month)
- Value Codes = 48 (hemoglobin reading) or 49 (hematocrit reading)
- Value Code = 68 (number of units of EPO administered)

Reimbursement remains the same at \$10.00 per 1,000 units.

(Reference: CMS Pub. 100-4, Chapter 8, Section 60.4)

**Example 1:** The following numbers of EPO units were administered during the billing period 2/1/04 – 2/28/04:

Date	EPO Units	Date	EPO Units
2/1	3000	2/15	2500
2/4	3000	2/18	2500
2/6	3000	2/10	2560
2/8	3000	2/22	2500
2/11	2500	2/25	2000
2/13	2500	2/27	2000

Total: 31,060 units

For value code 68, enter 31,060.

Your intermediary uses 31,100 to determine the rate payable. This is 31,060 rounded to the nearest 100 units. The rate payable is \$311.00 (31.1 × \$10).

Hgb=10.2

Revenue Code: 634 – 12

Value Code: 68 – 31,060

HCPCS: Q4055

VC 48: 10.2

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**Example 2:** The following number of EPO units was administered during the billing period 5/1/04 – 5/30/04:

Date	EPO Units	Date	EPO Units
5/10	20,000	5/24	9,500
5/12	9,000	5/26	10,000
5/14	11,000	5/28	10,000
5/19	8,000	5/30	10,000
5/22	15,000		

Total: 102,500 units

HCPCS code: Q4055

Revenue Code: 634, 3 (number of administration dates)

HCPCS code: Q4055

Revenue Code: 635, 6 (number of administration dates)

Value Code: 68, 102,500

Value Code: 49, 30.9 (Hct)

(See ESRD Manual Section 60.)

If an electronic submitter has additional documentation, which Medicare may require, they can indicate "DOCUMENTATION AVAILABLE UPON REQUEST" in the narrative (NTE02) segment. If the additional documentation you have is needed for Medicare to make its payment determination, a development letter will be sent requesting the information.

If the NTE02 segment does not indicate the availability of the additional documentation or the information is not returned in a timely manner, the claim will be returned as unprocessable.

## Related Instructions

Change Request (CR) 2963, Transmittal 39, January 6, 2004 can be found at the following CMS website:

[http://www.cms.hhs.gov/manuals/transmittals/comm\\_date\\_dsc.asp](http://www.cms.hhs.gov/manuals/transmittals/comm_date_dsc.asp)

CR 3037; Transmittal 36, December 24, 2003 can be found at the following CMS website:

[http://cms.hhs.gov/manuals/pm\\_trans/R36OTN.pdf](http://cms.hhs.gov/manuals/pm_trans/R36OTN.pdf)

CR 2984, Transmittal 118, March 5, 2004 can be found at the following CMS website:

[http://www.cms.hhs.gov/manuals/transmittals/cr\\_num\\_asc.asp](http://www.cms.hhs.gov/manuals/transmittals/cr_num_asc.asp)

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## Additional Information

The Medicare Renal Dialysis Facility Manual, Chapter II, Coverage of Services can be found at the following CMS Website:

[http://www.cms.hhs.gov/manuals/29\\_rdf/rd200.asp?#\\_1\\_17](http://www.cms.hhs.gov/manuals/29_rdf/rd200.asp?#_1_17)

Also, you can find the Medicare Benefit Policy Manual Chapter 11, regarding billing and payment details for EPO and DPA at the following CMS Website:

[http://www.cms.gov/manuals/102\\_policy/bp102c11.pdf](http://www.cms.gov/manuals/102_policy/bp102c11.pdf)

Lastly, see the Medicare Claims Process Manual, Pub. 100-04, Chapter 8, Section 60.4 at the following CMS Website:

[http://www.cms/manuals/104\\_claims/clm104c08.pdf](http://www.cms/manuals/104_claims/clm104c08.pdf)

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