Claims/authorizations for dates of service on or after October 1, 2015 must use the applicable ICD-10 diagnosis code that reflects the policy intent. References in this manual to ICD-9 diagnosis codes only apply to claims/authorizations with dates of service prior to October 1, 2015.
# END STAGE RENAL DISEASE

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OVERVIEW

Dialysis treatment replaces the function of the kidneys, which normally serve as the body’s natural filtration system. Through the use of a blood filter and a chemical solution known as dialysate, the treatment removes waste products and excess fluids from the bloodstream, while maintaining the proper chemical balance of the blood. There are two types of dialysis treatment: hemodialysis and peritoneal dialysis.

Dialysis services are covered as an optional medical service for Louisiana Medicaid recipients. Louisiana Medicaid will reimburse enrolled free-standing end stage renal disease (ESRD) facilities for the services outlined in this chapter to include, but not limited to, the following:

- Dialysis treatment including routine laboratory services,
- Medically necessary non-routine lab services, and
- Medically necessary injections.

The purpose of this chapter is to set forth the conditions and requirements of ESRD facilities for reimbursement under the Louisiana Medicaid Program.
COVERAGE SERVICES

Only outpatient end stage renal disease (ESRD) services are covered at Medicaid enrolled free-standing ESRD centers. Louisiana Medicaid covers renal dialysis services for the first three months of dialysis, pending Medicare eligibility. Covered services include renal dialysis treatments (hemodialysis and peritoneal dialysis), routine laboratory services, non-routine laboratory services and medically necessary injections.

NOTE: Hospital inpatient ESRD services are not covered at free-standing ESRD centers.

Hemodialysis

Louisiana Medicaid provides reimbursement to free standing end stage renal disease (ESRD) facilities for hemodialysis services.

Peritoneal Dialysis

Continuous Ambulatory Peritoneal Dialysis (CAPD) and Continuous Cycling Peritoneal Dialysis (CCPD) services may be provided to home dialysis patients. Providers approved for CAPD services may also provide CCPD services.

For both services, Louisiana Medicaid utilizes Medicare’s composite rate reimbursement system, Method I only. Under this reimbursement system, the dialysis facility must assume responsibility for providing all home dialysis equipment, supplies, and home support services. Some of the support services include the administering of medications, training the recipient to perform the home dialysis treatment, and the delivery of supplies. Reimbursement for these support services is included in the composite rate.

Support services specifically applicable to the home CAPD and CCPD recipient include:

- Changing the connection tube (also referred to as an administration set),
- Observing the recipient perform CAPD and CCPD to:
  - Ensure the process is completed correctly,
  - Instruct the recipient in the techniques he/she may have forgotten, or
  - Inform the recipient of modifications in the apparatus or technique.
- Documenting whether the recipient has or had peritonitis that requires physician intervention or hospitalization (Unless there is evidence of peritonitis, a culture for peritonitis is not necessary.),
Inspecting the catheter site,

- Drawing blood samples,

- Administering medications prescribed by the recipient's physician to treat a renal related condition,

- Administering blood or blood products prescribed by the physician,

- Providing social services consultation and/or intervention,

- Performing delivery, installation, maintenance, repair and testing of the cycler, and

- Delivering all dialysis related supplies.

**Equipment and Supplies for Home Dialysis**

Providers will be reimbursed for the covered items in accordance with the Durable Medical Equipment (DME) Program guidelines. These items must be requested by a DME provider and prior authorized by the fiscal intermediary’s Prior Authorization Unit. The DME manual provides information on covered services and the prior authorization process. (See Appendix A for information on accessing manuals)

**Laboratory Services**

Louisiana Medicaid reimburses ESRD providers for both routine and non-routine laboratory services. Providers may contract with outside laboratories to perform these lab procedures. Payment for laboratory services is made to the dialysis provider, not the contracted laboratory. Dialysis providers shall not bill Medicaid for an amount that exceeds the amount paid to the contracted laboratory.

**Routine Laboratory Services**

Routine lab work is an integral part of outpatient hemodialysis services. Reimbursement for routine lab services is included in the dialysis reimbursement rate.
Routine lab services with the allowed frequency are included in the following table:

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Routine Lab Service</th>
<th>Frequency</th>
<th>Routine Lab Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>PER DIALYSIS</td>
<td>Hematocrit</td>
<td></td>
<td>BUN</td>
</tr>
<tr>
<td>WEEKLY</td>
<td>Prothrombin time for recipients on anticoagulant therapy</td>
<td>Creatinine</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Serum Creatinine</td>
<td>Sodium</td>
<td></td>
</tr>
<tr>
<td></td>
<td>BUN</td>
<td>Dialysate Protein</td>
<td></td>
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<tr>
<td>MONTHLY</td>
<td>CBC</td>
<td>Albumin Hgb</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Serum Calcium</td>
<td>Carbon Dioxide</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Serum Potassium</td>
<td>LDH</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Serum Chloride</td>
<td>Phosphate</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Serum Bicarbonate</td>
<td>SGOT</td>
<td>Magnesium Alkaline Phosphates</td>
</tr>
<tr>
<td></td>
<td>Serum Phosphorus</td>
<td></td>
<td>Calcium</td>
</tr>
<tr>
<td></td>
<td>Total Protein</td>
<td></td>
<td>Total Protein</td>
</tr>
<tr>
<td></td>
<td>Serum Albumin</td>
<td></td>
<td>Potassium</td>
</tr>
<tr>
<td></td>
<td>Alkaline Phosphatase</td>
<td></td>
<td>HCT</td>
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<tr>
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<td></td>
<td>LDH</td>
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Non-Routine Laboratory Services

Dialysis facilities may bill separately for additional non-routine services performed by approved Medicaid laboratories, if the medical necessity for the additional lab services is documented by the physician.

Epoetin Alfa

Epoetin alfa (EPO), also referred to as Epoetin or Epogen, is covered under Louisiana Medicaid when it is used to treat anemia associated with chronic renal failure. Recipients with this condition include those who require renal dialysis and are eligible for Medicare under the end-stage renal disease (ESRD) provisions of the law. EPO may be administered either intravenously or subcutaneously for the treatment of anemia associated with chronic renal failure.

Providers should address the following in their medical documentation:

- Iron deficiency (Most recipients will need supplemental iron therapy while being treated, even if they do not start out iron deficient.),
- Concomitant conditions such as infection, inflammation, or malignancy (These conditions should be addressed insofar as possible for EPO to have maximum effect.),
- Unrecognized blood loss (Recipients with kidney disease and anemia may have chronic blood loss, usually gastrointestinal, as a reason for the anemia. As a result, the effectiveness of EPO will be limited.),
- Concomitant hemodialysis, bone marrow dysplasia, or refractory anemia for a reason other than renal disease, such as aluminum toxicity,
- Folic acid or vitamin B12,
- Circumstances in which the bone marrow is replaced with other tissue, such as malignancy or osteitis fibrosa cystica, and
- Recipient’s weight, required current dose, a historical record of the amount that has been given, and the hematocrit response to date.

Coverage can be made for facility-dialyzed recipients, as well as for recipients who dialyze at home and are competent to use the drug without medical or other supervision. The facility is
required to limit the “on-hand” supply to home dialysis recipients up to a two-month supply. The facility may bill up to a two-month supply initially, and must thereafter bill a one-month supply.

Criteria for Selection of Recipients Qualified to Self-Administered EPO in the Home

The recipient’s dialysis facility or the physician responsible for furnishing all dialysis-related services to the recipient can participate in recipient selection, training, and monitoring. In considering EPO therapy in the home setting, it is important for the dialysis facility or the physician responsible for all dialysis-related services to assess the degree of self-care that is feasible; i.e., whether the recipient will actually be able to administer the drug, and if not, whether the recipient would have the necessary assistance from an available care-giver. In order to be selected for home use of EPO, the recipient must meet the following criteria:

- Be a home dialysis patient (utilizing either CAPD or CCPD method),
- Have a hematocrit (or comparable hemoglobin) of less than 30%, unless medical documentation justifies a recipient’s need for EPO with a hematocrit higher than 30%,
- Be under the care of the physician who is responsible for the dialysis-related services and who prescribes EPO, and be under the care of the renal dialysis facility that establishes the plan of care for the services and monitors the progress of the home EPO therapy, and
- Be trained by the facility to inject EPO or have an appropriate care-giver who is trained to inject EPO.

In addition, the following requirements must be met:

- Prior to the determination that the recipient is a candidate for use of EPO in the home, the recipient’s hematocrit (or hemoglobin), serum iron, transferrin saturation, serum ferritin, and blood pressure must be measured.
- The recipient’s physician or facility must develop an appropriately designed protocol for the recipient for the safe and effective use of the drug. The protocol must include monitoring the recipient’s blood pressure.
- The recipient must be capable of performing self-administration of EPO, be able to read the drug labeling, or have a primary care-giver who can perform these tasks.
The recipient must be able to adhere to a disciplined medical program.

Patient Care Plan

To ensure adequate monitoring of home EPO therapy, the patient care plan for a recipient who is home dialysis patient using EPO in the home must include the following:

- A review of diet and fluid modification to monitor iron stores and hyperkalemia related to dietary indiscretion or elevated blood pressure,
- A re-evaluation of the recipient’s dialysis prescription, taking into account the recipient’s increased appetite and red blood cell volume,
- A method of teaching the recipient to identify the signs and symptoms of hypotension and hypertension,
- The decrease or discontinuance of EPO if hypertension is uncontrolled, and
- A method of follow-up on blood work and a means to keep the physician informed of the results.

If a recipient is not competent to use EPO in the home without supervision, and the drug has been prescribed, the dialysis facility should administer the drug.

Medically Necessary Injections

Certain injections that are covered under Louisiana Medicaid are usually billed in connection with hemodialysis treatments. Reimbursement for each of these items ONLY covers the cost of the drug. Reimbursement for the administration of the injection is included in the physician supervision of dialysis procedures.

Medicaid does not automatically cover new drugs when they are introduced. If a drug is added to the Medicare file, Medicaid will consider payment of the Medicaid portion of the claim.
CHAPTER 17: END STAGE RENAL DISEASE

SECTION 17.2: PROVIDER REQUIREMENTS

PROVIDER REQUIREMENTS

Provider Certification

Providers enrolled in Louisiana Medicaid as an end stage renal disease (ESRD) facility must be licensed by the Department of Health and Hospitals, Health Standards Section and be Medicare certified. Providers participating as a continuous ambulatory peritoneal dialysis (CAPD) and a continuous cycling peritoneal dialysis (CCPD) service provider must have approval from the Centers for Medicare and Medicaid Services (CMS) to furnish CAPD and CCPD training and support services. In addition, providers must meet federal certification requirements that state a facility furnishing CAPD and CCPD services must provide a full range of home dialysis support services.

Provider Responsibilities

Providers must agree to comply with all federal and state laws and regulations relevant to the provision of services.

It is the provider’s responsibility to verify the recipient is eligible, and remains eligible, for Medicaid services through periods of continued and extended service.

Providers must maintain their records to fully disclose the nature, quality, amount, and medical necessity of services provided to recipients who are currently receiving or who have received medical services in the past.

Referral to Social Security Administration

When Medicaid recipients begin dialysis treatments, providers should refer them to the Social Security Administration to facilitate the Medicare application process. It is not necessary to refer the recipient if the recipient is presently enrolled in Medicare or was denied Medicare coverage within the last year.
REIMBURSEMENT

Reimbursement for the technical component of dialysis services must be billed using the UB-04 claim form or its successor. (See Appendix B for claims filing information)

Reimbursement for physician supervision of dialysis (professional component) must be billed on the CMS-1500 claim form, or its successor, using the most appropriate code from the Current Procedural Terminology (CPT) manual. Refer to the Louisiana Medicaid Manual, Chapter 5 – Professional Services for instructions on completing the CMS-1500 claim form. (See Appendix A for information on accessing other manuals)

NOTE: Hospitals may only bill for inpatient end stage renal disease (ESRD) services and the charges should be included as part of the inpatient bill.

Non-Medicare Claims

Providers are reimbursed a hemodialysis composite rate. The composite rate is a comprehensive payment for providing all medically necessary routine hemodialysis treatment. Services included in the composite rate may not be billed separately.

Services reimbursed separately from the hemodialysis composite rate include:

- Non-routine dialysis services such as laboratory and radiology procedures that are not part of the composite rate,
- Continuous ambulatory peritoneal dialysis (CAPD),
- Continuous cycling peritoneal dialysis (CCPD),
- Epoetin Alfa (EPO),
- Injectable drugs, and
- Physician supervision of dialysis (professional component).

Medicare Part B Claims

Providers are reimbursed for co-insurance and deductible amounts. The Medicare payment plus the amount of the Medicaid payment shall be considered to be payment in full for the service. The recipient does not have any legal liability to make payment for the service. Medicare claims are subject to the same rate reductions as previously mentioned for non-Medicare claims.
Epoetin Alfa

Epoetin alfa (EPO) is reimbursed per 1,000 units (rounded to the nearest 100 units) administered. The following formula is used in calculating EPO reimbursement:

\[
\text{(Total number of EPO units/100)} \times \$1.00 = \text{Reimbursement}^* 
\]

*All claims, non-Medicare and Medicare, are subject to the following rate reductions:

- Effective February 26, 2009, 3.5%
- Effective January 22, 2010, 5%
- Effective August 1, 2010, 4.6%
- Effective January 1, 2011, 2%
- Effective July 1, 2012, 3.7%
## CONTACT INFORMATION

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<thead>
<tr>
<th>TYPE OF ASSISTANCE</th>
<th>CONTACT INFORMATION</th>
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| Who to contact for assistance with billing questions/problems | Molina Medicaid Solutions  
Provider Relations Unit  
P. O. Box 91024  
Baton Rouge, LA 70821  
Phone: 1-800-473-2783 or (225) 924-5040 |
| Who to contact for assistance with enrollment questions | Molina Medicaid Solutions  
Provider Enrollment Unit  
P. O. Box 80159  
Baton Rouge, LA 70898-0159  
Phone: (225) 216-6370 |
| How to access other Louisiana Medicaid provider manuals | [www.lamedicaid.com](http://www.lamedicaid.com)  under “Provider Manuals” link |
CLAIMS FILING

Claims for end stage renal disease (ESRD) services must be filed by electronic claims submission 837I or on the UB 04 claim form.

There are limits placed on the number of line items that are allowable when filing claims. ESRD claims must include National Drug Code (NDC) information for all physician-administered drugs identified with an alphanumeric Healthcare Common Procedure Coding System (HCPCS) code and billed with a revenue code. Two-page claims are acceptable for ESRD services.

Epoetin Alfa

Payment made to providers billing the Epogen treatments individually is based on the total units of epoetin alfa (EPO) as indicated in value code 40A. The total payment for EPO is indicated on the first treatment claim line for the first service date, and the remainder of the EPO treatment dates will appear on the remittance advice (RA) with zero (0 dollar) payments and edit code 978 (payment adjusted to zero, call help desk).

In order to void more than one claim line, a separate UB04 form is required for each claim line as each one has a different Internal Control Number.

Special documentation is not required with the claim for Medicaid only recipients requiring 10,000 units or more of EPO per administration; however, documentation should be maintained with the recipient’s records.

Instructions for Completing the UB04 Form

The most recent instructions for completing the UB 04 form along with samples of UB 04 claim forms for ESRD services routine billing are located on the home page of the Louisiana Medicaid website. The billing instructions and examples may also be accessed by using the below hyperlink.

http://www.lamedicaid.com/provweb1/billing_information/Hemo_Billing_NDCs.pdf