

MEDICARE PART A BULLETIN

July 23, 1997

ESRD Medicare Bulletin E-29

TO: All End Stage Renal Dialysis Facilities

FROM: Andy DePirro, Director Program Relations

**SUBJECT: CLAIMS FOR SEPARATELY BILLABLE END STAGE RENAL DISEASE
(ESRD) LABORATORY SERVICES PERFORMED BY
CERTIFIED INDEPENDENT DIALYSIS FACILITIES**

ATTENTION MEDICARE BUSINESS OFFICE MANAGER: Please distribute to all appropriate health care facility personnel.

The purpose of this bulletin is to clarify billing by certified independent dialysis facilities for separately billable laboratory test (i.e., laboratory test performed outside of the composite rate).

BACKGROUND

Prior to March 1, 1992, 42 CFR 405.2163 prohibited independent dialysis facilities from furnishing laboratory services directly (other than hematocrit and coagulant testing). Independent/Freestanding Dialysis Facilities entered into agreements with laboratories to perform the laboratory services for their dialysis patients. The laboratory would perform the test and submit a claim to Medicare via their assigned contractor. The regulations implementing the Clinical Laboratory Improvement Act (CLIA) 1988 allowed for Independent/Freestanding Dialysis Facilities to obtain certification to perform separately billable laboratory tests. The dialysis facilities with CLIA certification may perform the laboratory test and, if appropriate they submit the claim to the Medicare Program for payment.

In absence of Health Care Financing Administration (HCFA) manual instructions, various billing options have developed throughout the country. Some Dialysis Facilities have been billing the intermediary that process their dialysis claims, while others have billed the carrier separately on the HCFA-1500 claim form. Without uniform instructions for claims processing, HCFA is concerned that Dialysis Facilities could submit bills to both carriers and intermediaries.

NEW PROCEDURE

Effective September 1, 1997, CLIA certified Independent Dialysis Facilities must submit all claims for separately billable ESRD laboratory services (i.e., laboratory services that are in excess of those that are included in the composite rate) to their intermediary on the HCFA-1450 (UB-92) claims format, utilizing the bill type 72X. Also, dialysis facilities may not bill for any laboratory tests that are not within the scope or complexity level of their CLIA approval.

Questions regarding this bulletin may be address to the Medicare Part A Customer Service Department by calling (904) 355-8899.