



State of New Jersey
 Department of Human Services
 Division of Medical Assistance and Health Services

MEDICAID ALERT

January 1994

TO: Hospitals - Chief Executive Officer
 Independent Clinics - Free-Standing Renal Dialysis Facilities
 for End-Stage Renal Disease (ESRD)

ROUTE TO: Hospital Finance, Billing, Accounting Departments and
 Renal Dialysis Centers

SUBJECT: Billing Instructions - Epoetin alfa (EPO)

EFFECTIVE: Immediately

- PURPOSE:**
1. To clarify the New Jersey Medicaid program's reimbursement policy for the administration of Epoetin alfa (EPO); and
 2. To instruct providers on the proper claim completion when billing Medicaid for the administration of EPO.

BACKGROUND: Currently, the New Jersey Medicaid program reimburses both hospital-based renal dialysis centers and free-standing renal dialysis facilities for the administration of EPO as follows:

| <u>REVENUE CODES</u> | <u>DESCRIPTION</u> | <u>AMOUNTS</u> |
|----------------------|---|-------------------------|
| 634 | Epoetin alfa (EPO) ADMINISTRATION UNDER 10,000 UNITS | \$40 per Administration |
| 635 | Epoetin alfa (EPO) ADMINISTRATION 10,000 UNITS OR MORE | \$70 per Administration |
| (a) | Each administration is to be billed as ONE UNIT , regardless of the dosage administered. | |
| (b) | Unlike MEDICARE'S current reimbursement policy for EPO, MEDICAID'S current reimbursement policy is limited to \$40 and \$70, respectively, per administration and must be billed accordingly. | |

ACTION: When billing **MEDICAID** for the administration of EPO, providers must complete the UB-82 or UB-92 claim form, as follows:

Enter the number of administrations of EPO in **FIELD 52 (Units of Service)** on the UB-82 claim form or in **FIELD 46 (Units of Service)** on the UB-92 claim form.

Reimbursement of EPO (when administered as part of the treatment for end-stage renal disease (ESRD)) is paid on a composite rate basis and is not subject to the cost-to-charge ratio reduction (as may be applied to hospital outpatient department charges for other hospital outpatient department services).

Unlike **MEDICARE'S** billing, providers are **NOT** to enter in the "Value Code" or "Value Code Amount Fields" on the UB-82 or UB-92 claim forms the "Value Code" or the dosage of EPO administered when billing **MEDICAID**. Current **MEDICAID** policy is reflective of previous **MEDICARE** policy on the reimbursement for EPO. Providers who request to have previously paid EPO claims adjusted may do so in accordance with Medicaid's claims adjustment procedures.

For further information or questions on this Medicaid Alert, please contact the Provider Services Unit of Unisys, the Medicaid fiscal agent at 1-800-776-6334.

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(GREEN TAB MARKED "4")