END STAGE RENAL DISEASE FACILITY

GENERAL INFORMATION

I. BCBSM’s Freestanding End Stage Renal Disease Facility Programs

Traditional

Participation in Blue Cross Blue Shield of Michigan’s (BCBSM) Traditional Program is on a formal basis only. Services provided in a non-participating End Stage Renal Disease (ESRD) Facility are not reimbursed by BCBSM to either the facility or the member. Currently, BCBSM is primary for the first 30 months of the member’s dialysis services and then Medicare becomes primary.

For purposes of payment, BCBSM defines “end stage renal disease” as permanent and irreversible kidney failure that can no longer be controlled by medication or fluid and dietary restriction and, as such, requires a regular course of dialysis and/or kidney transplantation too maintain the patient’s life.

The following information is for freestanding facilities that are separate legal entities from a hospital and that are not 100% owned and operated by a hospital. It applies to facilities that want to participate in BCBSM’s network for members enrolled in our Traditional, PPO, POS or Medicare Advantage PPO products, or for those who want to obtain a BCBSM facility code for Medicare Supplemental claims. Members of other Blue Cross Blue Shield (BCBS) Plans also use BCBSM’s applicable networks when receiving services in Michigan. Be sure to verify benefit and eligibility for all BCBSM or BCBS members before providing services.

ESRD TRUST Network for PPO

ESRD Facilities can apply to both the Traditional and TRUST networks. If approved by BCBSM, the facility will be offered a TRUST ESRD Network Affiliation Agreement. BCBSM or BCBS members whose benefit plans require the use of an ESRD TRUST network facility may be subject to substantial out-of-network cost sharing (e.g., increased copayments and/or deductibles), or for some customers there is no benefit if they use a BCBSM participating Traditional facility that is not in the ESRD TRUST network. There is no payment made to the facility or the PPO member if the member uses a facility that does not participate in the BCBSM Traditional program.

Medicare Advantage PPO

Medicare certified freestanding ESRD facilities are eligible to apply for affiliation in the BCBSM Medicare Advantage PPO network which became effective January 1, 2010 for individual and group customers. To participate in the MA PPO network, facilities are not required to participate in the Traditional or TRUST network but must meet all other qualification requirements for TRUST participation.

Medicare Supplemental

Patients who have primary coverage through Medicare may also have Medicare Supplemental coverage through BCBSM. BCBSM’s Supplemental program provides for payment of applicable Medicare deductible and copayment amounts for patients that have primary coverage through Medicare, and Supplemental coverage through BCBSM. In general, the effective date of a facility’s eligibility to receive payment under the Supplemental program coincides with the effective date of the facility’s Medicare certification as an ESRD facility. All ESRD facilities that are approved for...
participation in our Traditional program are approved for Medicare Supplemental payments. Medicare certified ESRD facilities are eligible to obtain a BCBSM facility code for the billing of covered Medicare Supplemental services even if the facility does not qualify for or elects not to participate with BCBSM in our Traditional program. However, due to claims filing limitations, BCBSM will generally not assign a BCBSM Medicare Supplemental facility code with a retroactive effective date that exceeds a two year period.

II. BCBSM’s End Stage Renal Disease Facility Qualification Requirements

Traditional
In order to participate with BCBSM in the Traditional program, an ESRD facility must, at minimum, have and maintain the following:

- Medicare certification as a facility supplier of renal dialysis services, and certification by Medicare for each maintenance station it operates and each service provided
- A physician director who is designated, in writing, to assume overall responsibility for coordinating the care of the facility’s patients
- Written policies and procedures that meet generally acceptable standards for outpatient end stage renal disease services to assure the quality of patient care, and the facility demonstrates compliance with such policies and procedures
- Compliance with all applicable federal and state requirements, including Certificate of Need (CON), and BCBSM Evidence of Necessity (EON), as applicable
- A governing board that is legally responsible for the total operation of the facility. The governing board, or as an alternative, a community advisory board responsible to the governing board, shall include persons representative of a cross section of the community who are interested in the welfare and proper functioning of facility as a community agency
- An absence of inappropriate utilization or practice patterns, as identified through valid subscriber complaints, audits and peer review
- An absence of fraud and illegal activities
- Maintenance of adequate patient and financial records
- Participation status as a BCBSM participating Traditional facility (TRUST Network requirement).

TRUST ESRD Facility Network Requirements

In order to affiliate in BCBSM’s TRUST ESRD facility network, (for eligible PPO members) the facility must meet all requirements set forth in the TRUST ESRD Facility Qualification Standards that are on file with OFIR, including but not limited to, maintaining participation status in the Traditional program. The full set of standards is available upon request to BCBSM.

Medicare Advantage PPO Network Requirements

To participate in the MA PPO network, ESRD facilities do not need to be formally participating in the Traditional or TRUST network but must have and maintain all other qualification requirements for TRUST participation as described above. They cannot be a Medicare excluded entity.
Recredentialing

Note: It is BCBSM’s policy to recredential participating providers every 2-3 years to verify continued compliance with all qualification requirements for the Traditional, ESRD TRUST, and MA PPO networks.

III. End Stage Renal Disease Facility Reimbursement

Traditional and TRUST Facility Rates

For each covered service, BCBSM will pay participating ESRD facilities the lesser of billed charges or the applicable network rate established by BCBSM, less any deductible or copayment for which the Member is responsible. BCBSM will reimburse the facility the rate in effect on the date the covered service was provided.

The rates are listed on the BCBSM ESRD Facility Traditional and TRUST Rate Schedules. TRUST rates are less than the Traditional rates. The rate schedule which is also available on web-DENIS is BCBSM’s standard rate schedule and is not negotiable. Providers that participate in the Traditional program are required to bill BCBSM for covered services for BCBS Traditional, PPO or POS members, whether the facility participates in the ESRD TRUST network or not, and must accept BCBSM's payment as payment in full for covered services, except for any applicable member copayments and/or deductibles. If the facility participates in the Traditional program but does not participate in the TRUST network, BCBSM's out-of-network payment is based on the facility's Traditional rate schedule.

IV. Medicare PPO Reimbursement

Reimbursement for providers that participate in the MA PPO network is made at the lesser of billed charges or the BCBSM MA PPO Payment Rate(s) for the applicable service, less any applicable member copayments or deductibles. Out-of-network providers are reimbursed at the CMS payment rate(s) but the member will be subject to additional out-of-network copayments and/or deductibles which must be collected from the member.

V. The BCBSM Participation Agreement(s) (Traditional, TRUST, and MA PPO)

The applicable ESRD facility participation agreement(s) (Traditional and/or TRUST and/or MA PPO) are available on the bcbsm.com ESRD home web page. The Traditional and TRUST agreements are also available as a link in the participation chapter of the provider manual on web-DENIS, for those providers that already have web-DENIS access. The Traditional and TRUST participation agreements are on file with the Michigan Office of Financial and Insurance Regulation (OFIR) and their terms and provisions are not negotiable.

The applicable participation agreement signature documents for each BCBSM network/program being requested on the application are available on the ESRD home web page and must be completed, signed and returned with a completed facility application form.

NOTE: This is general information only and is subject to change without notice.

After we review the application and accompanying documentation, we may contact the designated representative of the facility to set up an appointment for an on-site visit. The on-site visit includes a review of a sample of medical records to evaluate the applicant’s compliance with BCBSM requirements, as outlined in this application. The facility must be ready for the on-site review at the time of submitting the application. If the facility is approved for program participation, the appropriate notification will be sent. If the facility is not approved, we will send notification in writing of the denial.
The facility may not submit claims and is not eligible for reimbursement unless and until the facility is approved for participation by BCBSM and BCBSM has issued a signed letter of approval to the facility for the networks requested. The effective date for participation in the BCBSM Traditional, TRUST, MAPPO or the Medicare Supplemental ESRD facility program will generally coincide with the effective date of the facility’s Medicare certification as an ESRD facility, however, BCBSM claim filing limitations will apply to all programs. The effective date for the approved networks will be indicated in the approval letter sent to the facility.

A separate BCBSM facility code is assigned to each approved and contracted location. With the implementation of National Provider Identifiers (NPI) BCBSM crosswalks the claims from the facility’s NPI to the BCBSM facility code (i.e., BCBSM’s internal identifier) for processing. Therefore, BCBSM recommends obtaining one NPI (in accordance with federal guidelines), for each location. Federal guidelines also allow for an NPI to be obtained for unique combinations of tax ID, location and taxonomy (specialty) codes.

Upon completion of the application and contracting process, the facility will receive a welcome package with information on how to sign up for electronic billing and access to web-DENIS, BCBSM’s web-based information system for providers. Through web-DENIS the facility will have access to provider manuals, rate schedules, newsletters, (e.g., The Record), and patient data such as contract eligibility and benefits. It is the facility’s responsibility to be familiar with and to adhere to all BCBCM billing and benefit requirements. It is also the responsibility of the facility to ensure its billing department (or billing agency) is compliant with all of BCBSM's billing requirements.

Participating ESRD facilities must bill BCBSM on a UB-04 claim form or its electronic equivalent. BCBSM no longer accepts facility paper claims (with some exceptions). Facilities that would like more information about internet claims submission or that wish to bill electronically should contact BCBSM’s Electronic Data Input (EDI) Helpline at (800) 542-0945 for electronic billing information after their BCBM facility code has been received.

Facilities that participate in any BCBSM programs or that are eligible to receive Medicare Supplemental payments from BCBSM must notify BCBSM immediately of any change in the facility’s ownership, tax identification number, Medicare certification status, CMS certification number, NPI, address, telephone number, etc.

**Multiple Locations**

If the facility is applying for participation (or an ownership change) for more than one location, each location must meet all requirements in order to be approved. A separate BCBSM provider code is issued for each approved location with a separate NPI and each approved location must sign its own participation agreement(s). A separate application must be submitted for each location.

Note: An additional (separate) facility code is assigned to each site for the billing of Medicare Supplemental covered services.