ESRD Billing for J0406 or J0606 with Modifier AX

Purpose

This policy is intended to ensure correct provider reimbursement and serves only as a general resource regarding Molina Healthcare's reimbursement policy for the services described in this policy. It is not intended to address every aspect of a reimbursement situation, nor is it intended to impact care decisions. This policy was developed using nationally accepted industry standards and coding principles. In a conflict, federal and state guidelines, as applicable, and the member's benefit plan document supersede the information in this policy. Also, to the extent of conflicts between this policy and the provider contract language, the Provider contract language will prevail. Coverage may be mandated by applicable legal requirements of a State, the Federal government or the Centers for Medicare and Medicaid Services (CMS). References included were accurate at the time of policy approval. If there is a state exception, please refer to the state exception table listed below.

Policy Overview

This policy outlines reimbursement guidelines for specific ESRD services, J0406/J0606, billed with type of bill 072X and modifier AX.

Reimbursement Guidelines

An edit will trigger on End Stage Renal Disease (ESRD) claims with Type of Bill (TOB) 072X if modifier AX is used with HCPCS codes J0604 or J0606, as per CMS guidelines. Modifier AX should not be billed with these codes. Modifier AX indicates that an item or service was provided along with dialysis services in ESRD facilities. It is used to receive payment for equipment, CRA, drugs, or biologicals under the Transitional Drug Add-on Payment Adjustment (TDAPA), which is outlined in 42 C.F.R. § 413.234.

According to CMS Transmittal R10568BP, Implementation of Changes in the End-Stage Renal Disease (ESRD) Prospective Payment System (PPS) and Payment for Dialysis Furnished for Acute Kidney Injury (AKI) in ESRD Facilities for Calendar Year (CY) 2021, dated January 14, 2021:
Effective January 1, 2021, calcimimetics are no longer covered under TDAPA.
Medicare contractors must discontinue processing TDAPA for J0604 and J0606 billed with modifier AX on TOB 72X for dates from January 1, 2021.
12011.6: Updates include:

- Discontinuing TDAPA for J0604 and J0606 when billed with modifier AX on TOB 72X from dates on or after January 1, 2021.
- No new drugs added.

Procedure Codes (CPT & HCPCS

Code	Code Description
J0604	Cinacalcet, oral, 1 mg, (for ESRD on dialysis)
J0606	Injection, etelcalcetide, 0.1 mg

Supplemental Information

Definitions

Term	Definition
CMS	The Centers for Medicare & Medicaid Services. It is a federal agency within the United States Department of Health and Human Services that administers the Medicare program and works in partnership with state governments to administer Medicaid, the Children's Health Insurance Program (CHIP), and health insurance portability standards.
Modifier AX	Item furnished in conjunction with dialysis services
TDAPA	The Transitional Drug Add-on Payment Adjustment (TDAPA) is a payment adjustment under the ESRD PPS for certain new renal dialysis drugs and biological products
ESRD	End-Stage Renal Disease
HCPCS	Healthcare Common Procedure Coding System
CRA	Capitol Related Assets Adjustment under TDAPA
CPT	Current Procedural Terminology

State Exceptions

State	Exception
Michigan	This policy does not apply to Michigan Medicaid

Documentation History

Type	Date	Action
Initial Creation Date	03/14/2024	New Policy
Revised Date	02/18/2025	MI state exception added
Revised Date	08/07/2025	Updated Template

References

References This policy was developed using:

• CMS
• State Medicaid Regulatory Guidance
• State Contracts

Reference	Link
CMS	https://www.cms.gov/files/document/r10568bp.pdf
CMS	https://www.cms.gov/files/document/mm12583-quarterly-update-end-stage-renal- disease-prospective-payment- system-esrd-pps.pdf

***CODING DISCLAIMER**. Codes listed in this policy are for reference purposes only and may not be all-inclusive. Deleted codes and codes which are not effective at the time the service is rendered may not be eligible for reimbursement. Listing of a service or device code in this policy does guarantee coverage. Coverage is determined by the benefit document. Molina adheres to Current Procedural Terminology (CPT®), a registered trademark of the American Medical Association (AMA). All CPT codes and descriptions are copyrighted by the AMA; this information is included for informational purposes only. Providers and facilities are expected to utilize industry standard coding practices for all submissions. When improper billing and coding is not followed, Molina has the right to reject/deny the claim and recover claim payment(s). Due to changing industry practices, Molina reserves the right to revise this policy as needed.*