CMS Manual System	Department of Health & Human Services (DHHS)				
Pub 100-19 Demonstrations	Centers for Medicare & Medicaid Services (CMS)				
Transmittal 13180	Date: April 24, 2025				
	Change Request 14035				

# SUBJECT: End Stage Renal Disease (ESRD) Treatment Choices (ETC) Model Demo Priorities - Additional Updates

**I. SUMMARY OF CHANGES:** The purpose of this Change Request (CR) is to include an additional correction to address the incorrect application of demo code 94 on claims with demo code 40. Claims leading to the demo code 40 are not being processed.

**EFFECTIVE DATE: October 1, 2025** \*Unless otherwise specified, the effective date is the date of service. **IMPLEMENTATION DATE: October 6, 2025** 

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated) R=REVISED, N=NEW, D=DELETED-*Only One Per Row.* 

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE			
N/A	N/A			

# **III. FUNDING:**

# For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

# **IV. ATTACHMENTS:**

# Demonstrations

# **Attachment - Demonstrations**

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#### **EFFECTIVE DATE: October 1, 2025**

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I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to include an additional correction to address the incorrect application of demo code 94 on claims with demo code 40. Claims leading to the demo code 40 are not being processed.

#### **II. GENERAL INFORMATION**

**A. Background:** The purpose of this Change Request (CR) is to include an additional correction to address the incorrect application of demo code 94 on claims with demo code 40. Demo code 40 belongs to a Payment of Physician and Non-Physician Services in Certain Indian Providers (RHEM GRAY). Claims that should be processed under demo code 40 are being assigned demo code 94 due to how priorities are stated for this demo and claims leading to the demo code 40 are not being processed.

**B. Policy:** ETC Model is a mandatory model, which takes precedence over all other models, hence the demo code 94, which identifies ETC model related claims, is placed in the first position. However, there are some models which, shouldn't have ETC demo code placed in first position. A similar issue was raised with the Veterans Administration (VA) claims, demo code 31, which was addressed in CR 12542.

#### **III. BUSINESS REQUIREMENTS TABLE**

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
			A/B	5	D		Sha	red-	-	Other
		N	MAC		Μ	2				
					E	Maintainers				
		А	В	Η		F	Μ	V	С	
				Η	M	-	С	Μ		
				Η	A	S	S	S	F	
					С	S				
14035.1	The shared system maintainers shall exclude any						Х			
	claims that have a demo code 40, regardless of the									
	demo code position, from the ETC model with demo code 94.									
14035.2	The contractors shall reprocess the claims with demo		Х							
	code 94 and demo code 40, suspending and/or on									

Number	Requirement	Responsibility							
			A/B		D	Shared-			Other
		Ν	MAC		Μ	M System			
					Е	Maint	taine	ers	
		Α	В	Н		F M	V	С	
				Н	Μ	I C	Μ	W	
				Н	А	S S	S	F	
					С	S			
	hold, due to model overlap issue, after the								
	implementation of this CR.								

### **IV. PROVIDER EDUCATION**

None

Impacted Contractors: None

### V. SUPPORTING INFORMATION

#### Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref	Recommendations or other supporting information:
Requirement	
Number	

#### Section B: All other recommendations and supporting information: N/A

#### VI. CONTACTS

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

#### **VII. FUNDING**

#### Section A: For Medicare Administrative Contractors (MACs):

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# **ATTACHMENTS: 0**