



News Flash – Remember: The Transition to ICD-10 is Coming October 1, 2013 – there will be no Extension. On October 1, 2013, the Centers for Medicare & Medicaid Services (CMS) will implement the ICD-10-CM (diagnoses) and ICD-10-PCS (inpatient procedures), replacing the ICD-9-CM diagnosis and procedure code sets. ICD-10-CM diagnoses codes will be used by all providers in every health care setting. ICD-10-PCS procedure codes will be used only for hospital claims for inpatient hospital procedures. The compliance dates are firm and not subject to change. **There will be no delays. There will be no grace period for implementation.** For more information about ICD-10 Implementation, please read MLN Matters® Special Edition article SE1019 located at <http://www.cms.gov/MLNMattersArticles/downloads/SE1019.pdf> on the CMS website.

MLN Matters® Number: MM6947 **Revised**

Related Change Request (CR) #: 6947

Related CR Release Date: August 31, 2010

Effective Date: For claims processed on or after January 1, 2011

Related CR Transmittal #: R2041CP

Implementation Date: January 3, 2011

Revisions to Claims Processing Instructions for Services Rendered in Place of Service Home

Note: This article was revised on September 21, 2011, to add reference to MLN Matters® MM7438, which is available at <http://www.cms.gov/MLNMattersArticles/downloads/MM7538.pdf>, to confirm that changes implemented in CR6947 are applicable only to services payable under the Medicare Physician Fee Schedule and anesthesia services. All other information remains the same.

Provider Types Affected

This article is for physicians and other providers who bill Medicare contractors (carriers and Medicare Administrative Contractors (A/B MAC)) for services provided to Medicare beneficiaries in Place of Service (POS) Home (or any other place of service that Medicare contractors consider to be home).

What You Need to Know

CR 6947, from which this article is taken, represents no change to payment policy. CR 6947 requires that you now enter the address of where services were performed, including the ZIP code, on claims for anesthesia services and every service payable under the Medicare Physician Fee Schedule (MPFS), for services

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provided in all places of service, including **Home**. This change will be effective for claims that you submit on the 5010 version of the ANSI X12N 837 P electronic form that are processed by Medicare on or after January 1, 2011, and on the paper Form CMS-1500 for claims processed on or after January 1, 2011. **(Claims submitted on the 4010A1 electronic form are not impacted by this change.)** You should make sure that your billing staffs are aware of this change.

Background

Currently, you are required to submit claims for anesthesia services and for services payable under the MPFS with the address and Zip code of where the service was performed included on the claim for services provided in all places of service (POS), except when the POS is home. In order to stay consistent with the 5010 version of the ANSI X12 N 837 P format (which is to become effective on January 1, 2011) the exception for POS home will no longer be effective.

Specifically, CR 6947 from which this article is taken, announces that effective for claims that you submit using the 5010 version of the ANSI X12N 827 P electronic claim form that are processed on or after January 1, 2011, and for paper claims that you submit on the Form CMS-1500 for claims that are processed on or after January 1, 2011; you will need to submit the address and 5 digit ZIP code (or the 9-digit code when required per the CMS ZIP Code file) of where the service was provided for services performed in all places of service, including POS home – 12, (and any other POS that contractors at their discretion consider to be home). Your carrier or A/B MAC will use that ZIP code to determine the correct payment locality.

Additionally, please remember that you cannot submit the Form CMS-1500 with more than one POS. Separate CMS-1500 claims must be submitted for each POS. Your carrier or A/B MAC will return as unprocessable such claims if you include more than one POS.

When returning these claims with more than one POS, Medicare contractors will use the following Claims Adjustment Reason Code (CARC) and Remittance Advice Remark Codes (RARC):

- CARC 16 – Claim/service lacks information which is needed for adjudication. At least one Remark Code must be provided (may be comprised of either the NCPCP Reject Reason Code, or Remittance Advice Remark Code that is not an ALERT.)
- RARC M77 - Missing/incomplete/invalid place of service.
- RARC MA130 – Your claim contains incomplete and/or invalid information, no appeals rights are afforded because the claim is unprocessable. Please submit a new claim with the complete/correct information.

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When returning claims for failing to include the address where the service was performed, Medicare contractors will use the following CARC and RARCs:

- CARC 16 – Claim/service lacks information which is needed for adjudication. At least one Remark Code must be provided (may be comprised of either the NCPCP Reject Reason Code, or Remittance Advice Remark Code that is not an ALERT.)
- RARC MA114 - Missing/incomplete/invalid information on where the services were furnished.
- RARC MA130 – Your claim contains incomplete and/or invalid information, no appeals rights are afforded because the claim is unprocessable. Please submit a new claim with the complete/correct information.

Note that claims submitted on the 4010A1 version of the electronic claim form are not affected by CR 6947.

Additional Information

You can find the official instruction, CR, 6947, issued to your carrier or A/B MAC by visiting <http://www.cms.gov/Transmittals/downloads/R2041CP.pdf> on the Centers for Medicare & Medicaid Services (CMS) website.

You will find the revised *Medicare Claims Processing Manual* Chapter 1 (General Billing Requirements), Sections 10.1.1 (Payment Jurisdiction Among Contractors for Services Paid Under the Physician Fee Schedule and Anesthesia Services), 10.1.1.1 (Claims Processing Instructions for Payment Jurisdiction for Claims Received on or after April 1, 2004), and 80.3.2.1.2 (Conditional Data Element Requirements for Carriers and DMERCs) as an attachment to that CR.

If you have any questions, please contact your carrier or A/B MAC at their toll-free number, which may be found at <http://www.cms.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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