CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1833	Date: April 28, 2017
	Change Request 9880

SUBJECT: Implementing the remittance advice messaging for the 20-hour weekly minimum for Partial Hospitalization Program services.

I. SUMMARY OF CHANGES: This Change Request implements remittance advice messaging, effective October 1, 2017, that conveys supplemental and educational information to the provider submitting claims for Partial Hospitalization Program services where the patient did not receive the minimum 20 hours per week of therapeutic services his plan of care indicates is required, on claims with line item date of service (LIDOS) on or after October 1, 2017.

EFFECTIVE DATE: October 1, 2017

*Unless otherwise specified, the effective date is the date of service.

IMPLEMENTATION DATE: October 2, 2017

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:

One Time Notification

Attachment - One-Time Notification

Pub. 100-20 Transmittal: 1833 Date: April 28, 2017 Change Request: 9880

SUBJECT: Implementing the remittance advice messaging for the 20-hour weekly minimum for Partial Hospitalization Program services.

EFFECTIVE DATE: October 1, 2017

*Unless otherwise specified, the effective date is the date of service.

IMPLEMENTATION DATE: October 2, 2017

I. GENERAL INFORMATION

- A. Background: This Change Request implements informational messaging on the Partial Hospitalization Program (PHP) claim remittance advice, effective October 1, 2017, that conveys supplemental and educational information to the provider submitting claims for PHP services where the patient did not receive the minimum 20 hours per week of therapeutic services his plan of care indicates is required, on claims with line item date of service (LIDOS) on or after October 1, 2017. This messaging is intended to increase provider awareness of the regulations at 42 CFR 410.43(c)(1) and 42 CFR 410.43(a)(3). These regulations state that PHPs are intended for patients who require a minimum of 20 hours per week of therapeutic services, as evidenced in their plan of care, and that PHP services include only those services that are furnished in accordance with a physician certification and plan of care as specified under 42 CFR 424.24(e).
- **B.** Policy: PHP services are intensive outpatient services provided in lieu of inpatient hospitalization for mental health conditions. The regulation at 42 CFR 410.43(c)(1) states that PHPs are intended for patients who require a minimum of 20 hours per week of therapeutic services as evidenced in their plan of care. Additionally, the regulation at 42 CFR 410.43(a)(3) requires that PHP services are services that are furnished in accordance with a physician certification and plan of care as specified under 42 CFR 424.24(e).

II. BUSINESS REQUIREMENTS TABLE

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

must be furnished in accordance with the plan of

Number	Requirement	Responsibility								
		A/B		D	Shared-				Other	
		N	/IAC	7)	M		Sys	tem		
			E		Е	Maintainers				
		A	В	Н		F	M	V	C	
				Н	M	Ι	C	M	W	
				Н	A	S	S	S	F	
					C	S				
9880.1	Effective for Partial Hospitalization Program (PHP)	X								IOCE
	claims processed on and after October 1, 2017, with									
	line item dates of service (LIDOS) on and after									
	October 1, 2017, contractors shall return the following									
	Remittance Advice Remark Code (RARC) when any									
	PHP claims receive I/OCE edit 95 (W7095).									
	•									
	<u> </u>									
	week, as evidenced in the plan of care. PHP services									
	RARC N787- "Alert: An eligible PHP beneficiary requires a minimum of 20 hours of PHP services per									

Number	Requirement	Responsibility											
			MAC		A/B D				Sha Sys aint	tem	Other		
		A	В	H H H		F I S S	M		С				
	care."												
9880.2	Currently I/OCE Edit 95 is set at claim level. Shared System Maintainer shall now set I/OCE Edit 95 to line level.					X				IOCE			
9880.3	Currently I/OCE Edit 95 is set to non-pay. Share System Maintainer shall until further notice now set I/OCE Edit 95 to pay and send RARC N787 code on the remittance. The IOCE will pass a new value in the Line Item Denial or Rejection Flag. The new value of "3" will represent ""Line item not denied or rejected; identified for informational alert". When the Line Item Denial or Rejection Flag is changed to "1" the Shared System Maintainer will no longer pay I/OCE Edit 95 but will non-pay.					X				IOCE			
9880.4	Contractors shall continue to process and adjudicate PHP claims as described in IOM Pub 100-04, Chapter 4, and Section 260.	X											

III. PROVIDER EDUCATION TABLE

Number	Requirement	Re	spo	nsib	ility	
			A/B D MAC M E			
		A	В	H H H	M A C	Ι
9880.5	MLN Article: A provider education article related to this instruction will be available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites and include information about it in a listserv message within 5 business days after receipt of the notification from CMS announcing the availability of the article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X				

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements:

"Should" denotes a recommendation.

X-Ref	Recommendations or other supporting information:
Requirement	
Number	

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

V. CONTACTS

Pre-Implementation Contact(s): Fred Rooke, fred.rooke@cms.hhs.gov (for institutional claims processing questions), Katherine Lucas, katherine.lucas@cms.hhs.gov (for policy questions)

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

VI. FUNDING

Section A: 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.

ATTACHMENTS: 0