CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1435	Date: November 6, 2014
	Change Request 8844

SUBJECT: New Informational Unsolicited Response (IUR) Process for Durable Medical Equipment (DME) Items Furnished during a Part A Hospital Inpatient Stay

I. SUMMARY OF CHANGES: Change Request (CR) 8172 provided guidance on the Centers for Medicare & Medicaid Services' (CMS) longstanding edits in place to deny claims for DME items furnished during an inpatient stay. However, this CR only addressed Prosthetics and Orthotics and did not include DME. In addition the CR provided instructions for the date of service through discharge date, but did not include day of discharge. This CR creates a new line item IUR to include DME and discharge date for claims received during a Part A Hospital Inpatient Stay.

EFFECTIVE DATE: April 1, 2015

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

IMPLEMENTATION DATE: April 6, 2015

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 obliged 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: 1435 Date: November 6, 2014 Change Request: 8844

SUBJECT: New Informational Unsolicited Response (IUR) Process for Durable Medical Equipment (DME) Items Furnished during a Part A Hospital Inpatient Stay

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I. GENERAL INFORMATION

A. Background: Section 1861(n) of the Act limits Part B coverage under the DME benefit to those items that are furnished for use in a patient's home. Inpatient facilities, and other facilities, may not be considered the patient's home. Therefore, payment for DME items may not be made while the beneficiary is in a hospital inpatient stay including Critical Access Hospitals (CAHs). (See the CMS Internet Only Manual, Pub 100-04, Chapter 20, §210.)

The Centers for Medicare & Medicaid Services (CMS) has longstanding edits in place to deny claims for DME items furnished during a hospital inpatient stay. However, there is currently no process in place to recoup funds for DME items when the bill for the hospital inpatient stay is received after the DME claim.

Therefore, the Centers for Medicare & Medicaid Services (CMS) is creating a new Informational Unsolicited Response (IUR) process within the Common Working File (CWF) to identify DME claims that overlapped a Part A hospital inpatient stay. An IUR identifies a claim that needs to be adjusted by the Medicare Claims Administration Contractor. The contractor will receive information from CWF as a result of the IUR, and initiate the recoupment process.

B. Policy: The DME benefit is meant only for items a beneficiary is using in his or her home. For a beneficiary in a Part A hospital inpatient stay, an institutional provider (e.g., hospital) is not defined as a beneficiary's home for DME, and so Medicare does not make separate payment for DME when a beneficiary is in the institution. The institution is expected to provide all medically necessary DME items during a beneficiary's covered Part A stay.

Effective for dates of service April 1, 2015, CWF will add a new line item IUR edit to trigger recoupments for DME items furnished while the beneficiary was in a hospital inpatient stay (including CAHs).

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B		D	Shared-				Other	
		MAC		M	// System					
				Е	Maintainers			ers		
		A	В	Н		F	M	V	C	
				Н	M	Ι	C	M	W	
				Н	A	S	S	S	F	
					C	S				
8844.1	Effective for claims with Date of Service on or after								X	
	April 1, 2015, the Common Working File (CWF) shall									
	create a line item IUR for a DME claim when the									
	following conditions are true:									

Number	Requirement	Re	espo	nsil	bilit	y				
			A/B		D	Ĭ	Sha	red-		Other
		N	/AA		M					
					Е	M	aint	aine	ers	
		A								
				Н	M	I	C	M	W	
				Н	A	S	S	S	F	
					C	S				
	• The DME claim "From" date of service									
	overlaps the date of service of a hospital									
	inpatient stay for a beneficiary,									
	AND the DME claim's "from" date of service									
	is at least one day after the date of admission,									
	and on or before the hospital discharge date.									
8844.2	The Common Working File (CWF) shall create a new								X	
	line item IUR edit to include the following HCPCS									
	categories:									
	Ol Cannad Pantal DME									
	• 01 Capped Rental DME									
	• 02 Frequently maintained DME									
	02 110 que manual 2 1/12									
	• 04 Inexpensive and routinely purchased DME									
	• 05 Electric Wheelchairs									
	. 000 F									
	06 Oxygen Equipment									
	• 07 Oxygen Supplies									
	or onlygen supplies									
8844.3	CWF shall not generate an IUR when the DME claim								X	
	"From" date of service is equal to the hospital									
	inpatient claim discharge date (the "Through" date on									
	the inpatient bill), when one of the following patient									
	status codes is present on the hospital inpatient claim									
	on file at CWF for the same beneficiary:									
	• "01" (Discharged to home or self care),									
	or (2.25) angle of boil one),									
	• "06" (Discharged/transferred to home under									
	care of organized home health service									
	organization in anticipation of covered skilled									
	care),									
	• "50" (Discharged/transferred to Hearing									
	 "50" (Discharged/transferred to Hospice – home) 									
	nome)									
	• "81" (Discharged to Home or Self Care with a									
	Planned Acute Care Hospital Inpatient									
	Readmission)									
	(0 m / - 1									
	• "86" (Discharged/Transferred to Home Under									

Number	Requirement	Responsibility								
	Aloquia sansan	A/B D Shared- MAC M System E Maintaine	MAC M			tem		Other		
		A	В	H H H	M A C	F	M C S		С	
	Care of Organized Home Health Service Organization with a Planned Acute Care Hospital Inpatient Readmission).									
8844.4	CWF shall not generate an IUR when the DME claims Patient Status Code (PSC) is 03 or 83 and the SNF claim is not on file.								X	
8844.5	CWF shall ensure that the IUR is overridable.								X	
8844.5.1	Contractors shall use the override for additional purposes upon approval by CMS.				X					
8844.6	CWF shall modify the existing edits as necessary to the criteria specified in 8844.1 and 8844.3 for the categories listed in 8844.2.								X	
8844.6.1	CWF shall continue to apply all standard and routine editing criteria specified in this Change Request (CR) as they apply to the categories listed in 8844.2 (for example, VMS shall deny claim lines of the CWF_CR A/B Crossover error, bypassing no pay claims, etc.)								X	
8844.7	CWF shall forward the new IUR to the DME MACs for processing.								X	
8844.8	Contractors shall process the IURs generated by CWF.				X					
8844.9	Contractors shall use the following remittance advice and MSN messages to deny claims for DME when the contractor receives an IUR from CWF indicating that the DME was furnished during a period when the beneficiary was a hospital inpatient: Reason Code 96 - Non covered charge(s)				X					
	Remark Code M18 - Certain Services may be approved for home use. Neither a hospital nor a Skilled Nursing Facility (SNF) is considered to be a patient's home									
	Group Code PR – Patient Responsibility									
	MSN Message 13.9 – Medicare Part B does not pay for this item or service since our records show that you									

Number	Requirement	Responsibility								
			A/B	A/B		Shared-				Other
		N	MAC		M	System				
					E	Maintainer			ers	
		A	В	Н		F	M	V	C	
				Н	M	I	C	M	W	
				Н	A	S	S	S	F	
					C	S				
	were in a skilled nursing facility on this date.									

III. PROVIDER EDUCATION TABLE

Number	ber Requirement					
			A/B MA(D M E	C E D
		A	В	H H H	M A C	I
8844.10	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 one week of the availability of the provider education 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: N/A

[&]quot;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): Bobbett Plummer, bobbett.plummer@cms.hhs.gov

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

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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