

Quick Reference: Temporary Instructions for Submitting Part B claims Under Administrator Ruling CMS-1455-R



On March 13, 2013 the Centers for Medicare & Medicaid Services (CMS) issued Ruling CMS-1455-R which establishes an interim process for hospitals to bill Medicare for Part B services following a denial of a Part A claim for an inpatient admission as not reasonable and necessary.

A copy of the ruling can be found at the following link:

<http://www.cms.gov/Regulations-and-Guidance/Guidance/Rulings/Downloads/CMS1455R.pdf>

CMS Ruling 1455-R Fact Sheet can be found at the following link:

<http://www.cms.gov/apps/media/press/factsheet.asp?Counter=4558>

CMS has issued instructions to contractors to address the automation of claims processing which will be implemented in the July 2013 quarterly system release.

Until this process is implemented, providers shall follow these Temporary Instructions for the Part B Type of Bill (TOB) 12x.

For electronic submissions, providers are instructed to place the appropriate (pre-authorized) code into Loop 2300 REF02 (REF01 = G1). Please note, the loop and segment are included for billing purposes, but only SPN65 needs to be present in the field:

REF*G1*SPN65~

(The above code shall not include any spaces, and should appear as SPN65)

The original, denied inpatient claim (CCN/DCN/ICN) number, last adjudication date, and "CMS1455R" shall be included in the Billing Notes loop 2300/NTE (NTE01 = ADD) in the format:

NTE*ADD*12345678901234-99999999-CMS1455R~

The numeric strings above (12345678901234) are meant to represent original claim CCN/DCN/ICN numbers from the inpatient denial, the second number string above (99999999) is meant to represent the last adjudication date in mmddyyyy format, and the "CMS1455R" is the

provider's validation that there is no appeal in process for the services being billed and the provider has complied with all other requirements in the Administrator's Ruling, CMS-1455-R.

NOTE: The last adjudication date means, as applicable, the date of denial from the remittance advice for a Part A claim that has not been appealed, or the date of a final or binding appeal decision, or the date of a dismissal notice in response to a request for withdrawal of an appeal.

For DDE or Paper Claims, Providers are instructed to use fields: 5/MAP1715 (for DDE) or first line of the Treatment Authorization field #63 (for paper) and the following format:

SPN65 (the code shall not include any spaces, and should appear as SPN65)

The original, denied inpatient claim (CCN/DCN/ICN) number, last adjudication date, and "CMS1455R" shall be added to the Remarks Field (form locator #80) on the claim in the format:

12345678901234-99999999-CMS1455R

The numeric strings above (12345678901234) are meant to represent original claim CCN/DCN/ICN numbers from the inpatient denial, the second number string above (99999999) is meant to represent the last adjudication date in mmddyyyy format, and the "CMS1455R" is the provider's validation that there is no appeal in process for the services being billed and the provider has complied with all other requirements in the Administrator's Ruling, CMS-1455-R.

NOTE: The last adjudication date means, as applicable, the date of denial from the remittance advice for a Part A claim that has not been appealed, or the date of a final or binding appeal decision, or the date of a dismissal notice in response to a request for withdrawal of an appeal.

Providers shall follow these Temporary Instructions for the Part B Type of Bill (TOB) 13x.

For electronic submissions, providers are instructed to place the appropriate remarks:

The original, denied inpatient claim (CCN/DCN/ICN) number, last adjudication date, and "CMS1455R" shall be included in the Billing Notes loop 2300/NTE (NTE01 = ADD) in the format:

NTE*ADD*12345678901234-99999999-CMS1455R~

The numeric strings above (12345678901234) are meant to represent original claim CCN/DCN/ICN numbers from the inpatient denial, the second number string above (99999999) is meant to represent the last adjudication date in mmddyyyy format, and the "CMS1455R" is the provider's validation that there is no appeal in process for the services being billed and the provider has complied with all other requirements in the Administrator's Ruling, CMS-1455-R.

NOTE: The last adjudication date means, as applicable, the date of denial from the remittance advice for a Part A claim that has not been appealed, or the date of a final or binding appeal decision, or the date of a dismissal notice in response to a request for withdrawal of an appeal.

For DDE or Paper Claims, Providers are instructed to place the appropriate remarks:

The original, denied inpatient claim (CCN/DCN/ICN) number, last adjudication date, and “CMS1455R” shall be added to the Remarks Field (form locator #80) on the claim in the format:

12345678901234-99999999-CMS1455R

The numeric strings above (12345678901234) are meant to represent original claim CCN/DCN/ICN numbers from the inpatient denial, the second number string above (99999999) is meant to represent the last adjudication date in mmddyyyy format, and the “CMS1455R” is the provider’s validation that there is no appeal in process for the services being billed and the provider has complied with all other requirements in the Administrator’s Ruling, CMS-1455-R.

NOTE: The last adjudication date means, as applicable, the date of denial from the remittance advice for a Part A claim that has not been appealed, or the date of a final or binding appeal decision, or the date of a dismissal notice in response to a request for withdrawal of an appeal.

Please Note:

- The hospital may submit a Part B inpatient claim (12x) for the Part B services that would have been payable to the hospital had the beneficiary originally been treated as an outpatient rather than admitted as an inpatient except where those services specifically require an outpatient status such as outpatient visits, emergency department visits, observation services, that are, by definition, provided to hospital outpatients and not inpatients. Consistent with existing Medicare policy, where no Part A payment is made because the inpatient admission is denied as not reasonable and necessary, hospitals may bill separately for outpatient services (13x) provided in the three-day payment window prior to the inpatient admission as the outpatient services that they were, including observation and other services that are furnished in accordance with Medicare’s requirements. See Section 10.12, Chapter 4 of the Medicare Claims Processing Manual (Pub. 100-04). Because services provided during the three-day payment window are outpatient services, they cannot be included on the Part B inpatient claim. Instead, hospitals should bill for these services on a Part B outpatient claim in accordance with this policy.
- For the Part B 12x claim, the hospital will be initially be paid at 90% of the net amount that would be payable (after subtracting deductibles and co-insurance) if the provider had originally submitted the claim as outpatient services based on the OPPS Pricer amount or lab fee amount. (For Maryland Waiver providers, the 90% will be based on the outpatient

payment that would have been available if the claim were originally paid as an outpatient claim for payment.) Payments are claim, not line, level. When CR 8185 is implemented in July, contractors will mass adjust all TOB 12x rebilling claims that were processed under this temporary methodology for full Medicare payment.

Claim Examples

Since the billing concepts are new to most providers, we have provided sample claims for the most common scenarios of billing Part B claims under CMS Ruling 1455R. This concept can be applied to any of the scenarios that require split billing.

131 BILLING EXAMPLE #1

1		2 SERVICES PROVIDED DURING THE 3-DAY PAYMENT WINDOW														3a PAT. CNTL #		4 TYPE OF BILL							
																3b MED. REC #		0131							
																5. FED.TAX NO.		6. STATEMENT COVERS PERIOD FROM 03312012 THROUGH 04012012							
8 PATIENT NAME a MEDICARE SMITH														9 PATIENT ADDRESS a						c		d		e	
10 BIRTHDATE		11 SEX		12 DATE		13 HR		14 TYPE		15 SRC		16 D HR		17 STAT		18-28				29 ACCT STATE		30			
31 OCCURRENCE CODE		32 OCCURRENCE DATE		33 OCCURRENCE CODE		34 OCCURRENCE DATE		35 OCCURRENCE CODE		36 OCCURRENCE DATE		37 OCCURRENCE CODE		38 OCCURRENCE DATE		39 OCCURRENCE CODE		40 OCCURRENCE DATE		41 OCCURRENCE CODE		42 OCCURRENCE DATE			
39		40		41		42		43		44		45		46		47		48		49		50			
42 REV. CD.		43 DESCRIPTION										44 HCPCS/RATES/HPPS CODE		45 SERV. DATE		46 SERV. UNITS		47 TOTAL CHARGES		48 NON-COVERED CHARGES		49			
1																						1			
2																						2			
3																						3			
4																						4			
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23																						23			
		PAGE 1 OF 1										CREATION DATE		TOTALS											
A		50 PAYER NAME				51 HEALTH PLAN ID				52 REL INFO		53 ASG BEN		54 PRIOR PAYMENTS		55 EST. AMOUNT DUE		56 NPI		57		9876543210			
B										Y		Y													
C																									
A		58 INSURED'S NAME				59 P. REL				60 INSURED'S UNIQUE ID				61 GROUP NAME				62 INSURANCE GROUP NO.							
B		SMITH, MEDICARE				18				987654321A															
C																									
A		63 TREATMENT AUTHORIZATION CODES								64 DOCUMENT CONTROL NUMBER								65 EMPLOYER NAME							
B																									
C																									
66		67		A		B		C		D		E		F		G		H		68					
69		70		a		b		c		71		72		73											
74		75		76		77		78		79		80		81		82		83		84					
74		75		76		77		78		79		80		81		82		83		84					
80		REMARKS								81CC								82							
		12345678901234-03152013-CMS1455R								a															
		(DCN) (LAST ADJUCATION (ATTESTATION) DATE)								b															
										c															
										d															

121 BILLING EXAMPLE #1

1		2		3a PAT. CNTL #		4 TYPE OF BILL	
				5. MED. REC #		0121	
				5. FED.TAX NO.		6. STATEMENT COVERS PERIOD FROM 04012012 THROUGH 04022012	
8 PATIENT NAME a MEDICARE SMITH				9 PATIENT ADDRESS a			
10 BIRTHDATE		11 SEX		12 DATE		13 HR	
14 TYPE		15 SRC		16 D HR		17 STAT	
18		19		20		21	
22		23		24		25	
26		27		28		29 ACCT STATE	
31 OCCURRENCE CODE		32 OCCURRENCE DATE		33 OCCURRENCE CODE		34 OCCURRENCE DATE	
35 OCCURRENCE CODE		36 OCCURRENCE DATE		37 OCCURRENCE CODE		38 OCCURRENCE DATE	
39 VALUE CODES		40 VALUE CODES		41 VALUE CODES		42 VALUE CODES	
CODE		AMOUNT		CODE		AMOUNT	
a		b		c		d	
b		c		d		e	
c		d		e		f	
d		e		f		g	
43 DESCRIPTION		44 HCPCS/RATES/HPPS CODE		45 SERV. DATE		46 SERV. UNITS	
47 TOTAL CHARGES		48 NON-COVERED CHARGES		49		50	
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317		318		319		320	
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521		522		523		524	
525		526		527		528	
529		530		531		532	
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625		626		627		628	
629		630		631		632	
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809		810		811		812	
813		814		815		816	
817		818		819		820	
821		822		823		824	
82							

131 BILLING EXAMPLE #2

1		2 SERVICES PROVIDED DURING THE 3-DAY PAYMENT WINDOW															3a PAT. CNTL #		4 TYPE OF BILL																						
																	3b MED. REC #		0131																						
																	5. FED. TAX NO.		6. STATEMENT COVERS PERIOD FROM 03312012 THROUGH 04012012																						
8 PATIENT NAME a MEDICARE SMITH										9 PATIENT ADDRESS a																															
10 BIRTHDATE		11 SEX		12 DATE		13 HR		14 TYPE		15 SRC		16 D HR		17 STAT		18		19		20		21		22		23		24		25		26		27		28		29 ACCT STATE		30	
31 OCCURRENCE CODE		32 OCCURRENCE DATE		33 OCCURRENCE CODE		34 OCCURRENCE DATE		35 OCCURRENCE CODE		36 OCCURRENCE DATE		37 OCCURRENCE CODE		38 OCCURRENCE DATE		39 OCCURRENCE CODE		40 OCCURRENCE DATE		41 OCCURRENCE CODE		42 OCCURRENCE DATE		43 OCCURRENCE CODE		44 OCCURRENCE DATE		45 OCCURRENCE CODE		46 OCCURRENCE DATE		47 OCCURRENCE CODE		48 OCCURRENCE DATE		49 OCCURRENCE CODE		50 OCCURRENCE DATE			
39 VALUE CODES		40 VALUE CODES		41 VALUE CODES		42 VALUE CODES		43 VALUE CODES		44 VALUE CODES		45 VALUE CODES		46 VALUE CODES		47 VALUE CODES		48 VALUE CODES		49 VALUE CODES		50 VALUE CODES		51 VALUE CODES		52 VALUE CODES		53 VALUE CODES		54 VALUE CODES		55 VALUE CODES		56 VALUE CODES		57 VALUE CODES		58 VALUE CODES			
42 REV. CD.		43 DESCRIPTION										44 HCPCS/RATE\$/PPS CODE		45 SERV. DATE		46 SERV. UNITS		47 TOTAL CHARGES		48 NON-COVERED CHARGES		49																			
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		PAGE 1 OF 1										CREATION DATE		TOTALS																											
A		50 PAYER NAME MEDICARE										51 HEALTH PLAN ID		52 REL INFO Y		53 ASG BEN Y		54 PRIOR PAYMENTS		55 EST. AMOUNT DUE		56 NPI 9876543210																			
B																																									
C																																									
A		58 INSURED'S NAME SMITH, MEDICARE										59 P. REL 18		60 INSURED'S UNIQUE ID 987654321A		61 GROUP NAME		62 INSURANCE GROUP NO.																							
B																																									
C																																									
A		63 TREATMENT AUTHORIZATION CODES										64 DOCUMENT CONTROL NUMBER		65 EMPLOYER NAME																											
B																																									
C																																									
66		67		A		B		C		D		E		F		G		H		68																					
69		70		a		b		c		71 PPS CODE		72 ECI		73																											
74		75		76		77		78		79		80		81		82		83		84																					
74		75		76		77		78		79		80		81		82		83		84																					
80		REMARKS 12345678901234-02152013-CMS1455R (DCN) (LAST ADJUCATION (ATTESTATION) DATE)										81CC a		81CC b		81CC c		81CC d		81CC e		81CC f																			

121 BILLING EXAMPLE #3

1		2		3a PAT. CNTL #		4 TYPE OF BILL	
				3b MED. REC #		0121	
				5. FED.TAX NO.		6. STATEMENT COVERS PERIOD FROM 04012012 THROUGH 04022012	
8 PATIENT NAME a MEDICARE SMITH				9 PATIENT ADDRESS a			
10 BIRTHDATE		11 SEX		12 DATE		13 HR	
14 TYPE		15 SRC		16 D HR		17 STAT	
18		19		20		21	
22		23		24		25	
26		27		28		29 ACCT STATE	
31 OCCURRENCE CODE		32 OCCURRENCE DATE		33 OCCURRENCE CODE		34 OCCURRENCE DATE	
35 OCCURRENCE CODE		36 OCCURRENCE DATE		37 OCCURRENCE CODE		38 OCCURRENCE DATE	
39 VALUE CODES CODE		40 VALUE CODES AMOUNT		41 VALUE CODES CODE		42 VALUE CODES AMOUNT	
43		44		45		46	
47		48		49		50	
51		52		53		54	
55		56		57		58	
59		60		61		62	
63		64		65		66	
67		68		69		70	
71		72		73		74	
75		76		77		78	
79		80		81		82	
83		84		85		86	
87		88		89		90	

THE PATIENT, MEDICARE SMITH, WENT TO THE ED OF THE HOSPITAL ON 03-31-2012 AND RECEIVED OBSERVATION SERVICES. THE PATIENT WAS ADMITTED ON 04-01-2012 TO THE HOSPITAL AND DISCHARGED ON 04-02-2012.

SUBSEQUENT RECOVERY AUDITOR CONTRACTOR REVIEW DETERMINED THAT THE INPATIENT ADMISSION WAS NOT REASONABLE AND NECESSARY. THE PROVIDER APPEALED THIS DECISION. DURING THE APPEALS PROCESS CMS-1455-R BECAME EFFECTIVE. THE PROVIDER REQUESTED A WITHDRAWAL OF THEIR APPEAL AND THE CONTRACTOR ISSUED A DISMISSAL NOTICE DATED 04-15-2013.

THE PROVIDER HAS 180 DAYS FROM THE DATE OF RECEIPT OF THE DISMISSAL NOTICE TO SUBMIT THE PART B CLAIMS. THE DATE OF RECEIPT OF THE DISMISSAL NOTICE IS PRESUMED TO BE 5 DAYS FROM THE DATE ON THE NOTICE.

PAGE 1 OF 1 CREATION DATE TOTALS 9876543210