



## Clarification on the Correct Condition Code to Report on Provider Adjustment Requests to Indicate a Health Insurance Prospective Payment System (HIPPS) Code Change - JA6002

Related CR Release Date : July 25, 2008

Date Job Aid Revised: August 14, 2008

Effective Date: January 1, 2009

Implementation Date: January 5, 2009

**Key Words** MM6002, CR6002, R1565CP, Condition, Code, HIPPS, Prospective

**Contractors Affected**

- Fiscal intermediaries (FIs)
- Part A/B Medicare Administrative Contractors (A/B MACs)

**Provider Types Affected** Skilled Nursing Facilities (SNFs), Swing Bed (SB) providers, Inpatient Rehabilitation Facilities (IRFs) and Home Health Agencies (HHAs) who bill Medicare FIs and A/B MACs for services provided to Medicare beneficiaries



- Change Request (CR) 6002 clarifies the correct condition code to report on adjustment requests when changing a previously processed HIPPS code.
- Effective January 1, 2009, providers should no longer use the D4 condition code to report HIPPS code changes on SNF adjustment requests.
- Providers should begin to use Condition Code D2 – Change in Revenue Codes/ Healthcare Common Procedure Coding System/HIPPS Rate Codes.

**Provider Needs to Know...**

- Medicare systems have been updated to require inpatient IRFs and HHAs to also report a condition code D2 on adjustment requests that alter the existing HIPPS code on a previous paid claim, effective January 1, 2009.
- Provider should be aware that their FI or A/B MAC will return adjustment requests when a claim contains a HIPPS code change without a condition code D2.

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Background

- Medicare systems have historically required SNFs and SB providers to append condition code D4 to inpatient adjustment requests when a change is made to the original HIPPS code billed on the claim.
  - The National Uniform Billing Committee has recently revised the definition for condition code D4, to indicate a change in clinical codes for diagnosis and/or procedure codes.
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Operational  
Impact

N/A

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Reference  
Materials

The related MLN Matters article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6002.pdf> on the CMS website.

The official instruction (CR6002) regarding this change may be viewed <http://www.cms.hhs.gov/Transmittals/downloads/R1565CP.pdf> on the CMS website.

Providers will find updated *Medicare Claims Processing Manual*, Chapter 6 (SNF Inpatient Part A Billing), Sections 30.5 (Adjustment to Health Insurance Prospective Payment System (HIPPS) Codes Resulting From Long Term Care Resident Assessment Instrument (RAI) Corrections) and 30.5.1 (Adjustment Requests) as an attachment to CR6002.

In addition providers might want to refer to Chapter 25, (Completing and Processing the Form CMS-1450 Data Set), at <http://www.cms.hhs.gov/manuals/downloads/clm104c25.pdf> on the CMS website, for further description of the code sets reported on the CMS-1450.

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