



Billing and Processing Claims with Unlimited Occurrence Span Codes (OSCs) – JA6777

Note: MLN Matters® article 6777 was revised to reflect the revised Change Request (CR) 6777 that was issued on April 15, 2010. The article was revised to reflect a revised CR release date, transmittal number (see below), and Web address for accessing CR6777. All other information remains the same.

Related CR Release Date: April 15, 2010 **Revised**

Date Job Aid Revised: April 19, 2010

Effective Date: October 1, 2002

Implementation Date: October 4, 2010

Key Words MM6777, CR6777, R1946CP, Billing, Unlimited, Occurrence, Span, OSC

Contractors Affected

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

Provider Types Affected Provider types affected are Long Term Care Hospitals (LTCHs), Inpatient Psychiatric Facilities (IPFs), and Inpatient Rehabilitation Facilities (IRFs) paid under their respective Prospective Payment System (PPS) and submitting claims to Medicare FIs and/or A/B MACs for services provided to Medicare beneficiaries.



CR6777 provides claims processing and billing instructions that allow claims to be billed as if no OSC limitation exists on the claim.

Provider Needs to Know...

Special Billing Procedures When More than Ten OSCs Apply to a Single Stay

- When a provider paid under the LTCH, IPF or IRF PPS encounters a situation in which ten or more OSCs are to be billed on the CMS-1450 or electronic equivalent, the provider must bill for the entire stay up to the "Through date" of the 10th OSC for the stay (the "Through date" for the Statement Covers Period equals the "Through date" of the tenth OSC).

- As the stay continues, the provider must only bill the 11th through the 20th OSC for the stay, if applicable.
 - Once the twentieth OSC is applied to the claim, the provider must only bill the 21st through the 30th OSC for the stay, if applicable.
 - Medicare's systems (the FI Shared System) retain the history of all OSCs billed for the stay to ensure proper processing (i.e., as if no OSC limitation exists on the claim).
 - An illustration of the billing procedure can be found in the official instruction for CR6777 at the Web address provided below.
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Background

- The PPSs for LTCH, IPF, and IRF require a single claim to be billed for an entire stay.
 - Interim claims may be submitted to continually adjust all prior submitted claims for the stay until the beneficiary is discharged.
 - In some instances, significantly long stays having numerous OSCs may exceed the amount of OSCs allowed to be billed on a claim.
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Operational
Impact

- For claims that have been manually processed due to the fact the number of OSC periods exceeded the limitation of ten, Medicare FIs and MACs will work directly with hospitals to ensure such claims are appropriately processed.
 - Additional payment will not be made for claims that were already paid manually.
 - Medicare contractors will override timely filing for such claims.
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Reference
Materials

The related MLN Matters® article can be found at <http://www.cms.gov/MLN MattersArticles/downloads/MM6777.pdf> on the CMS website.

The official instruction (CR6777) issued regarding this change may be found at <http://www.cms.gov/Transmittals/downloads/R1946CP.pdf> on the CMS website. A detailed set of billing scenarios is presented within the instruction to show how to bill for stays where more than 10 OSCs occur.
