



Related MLN Matters Article #: MM5880

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Modification of Payment Window Edits in the Medicare's Common Working File (CWF) to Look at Line Item Dates of Service (LIDOS) on Outpatient Claims

Key Words

MM5880, CR5880, R1429CP, Payment, Window, Edits, CWF, LIDOS, Outpatient

Provider Types Affected

Hospitals submitting outpatient claims to Medicare Fiscal Intermediaries (FIs), and/or Part A/B Medicare Administrative Contractors (A/B MACs) for preadmission services provided to Medicare beneficiaries

Key Points

- The effective date of the instruction is July 1, 2008.
- The implementation date is July 7, 2008.
- Currently, the edits within Medicare's CWF system look at the "statement covers through date" of outpatient claims in order to determine what services fall within the payment window relative to an inpatient stay.
- Change Request (CR) 5880 modifies the payment window edits (both diagnostic and therapeutic) to look at the LIDOS of the outpatient bill instead of the "statement covers through date."
- This modification will make it easier to distinguish between the outpatient preadmission services that should be bundled on the inpatient bill from those that may be reimbursed separately.
- Effective for services on or after July 1, 2008, Medicare's CWF will reject services for payment when the outpatient service's LIDOS falls:
 - On the day of admission or any of the 3 days immediately prior to admission of the beneficiary to an Inpatient Prospective Payment System (IPPS) or Maryland waiver hospital; or
 - On the day of admission or one day prior to that admission for hospitals excluded from the IPPS, such as a rehabilitation facility or an inpatient psychiatric facility.
- The payment window policy is a longstanding Medicare policy.

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- The Security Act and the 42 Code of Federal Regulations (CFR) 412.2(c)(5) and 413.40(c)(2) define the operating costs of inpatient services under the PPS to include certain preadmission services furnished by the admitting hospital (or by an entity wholly owned or operated by the admitting hospital or by another entity under arrangements with the admitting hospital).
- For details as to which services are considered preadmission services and should be bundled into the inpatient bill, providers may refer to the *Medicare Claims Processing Manual* (Chapter 3, Section 40.3), which is attached to CR5880.
- In summary, CR5880 instructs the provider's Medicare contractor to:
 - Modify all of the payment window edits to look at the outpatient service by the LIDOS;
 - Remove revenue code 048X and replace with 0481, 0482, 0483, and 0489 in the diagnostic payment window edits; and
 - Include the following Current Procedural Terminology (CPT) codes for revenue codes 0481 and 0489: 93501, 93503, 93505, 93508, 93510, 93526, 93541, 93542, 93543, 93544, 93556, 93561, or 93562 in the diagnostic payment window edits.
- These CPT codes and their descriptors are included in the table on page 3 in the background section of MLN Matters article MM5880.

Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5880.pdf> on the CMS website.

The official instruction (CR5880) issued regarding this change may be found at

<http://www.cms.hhs.gov/Transmittals/downloads/R1429CP.pdf> on the CMS website.

Section 1886(a)(4) of the Act may be found at http://www.ssa.gov/OP_Home/ssact/title18/1886.htm on the Internet.

To see 42 CFR 412.2(c)(5) and 413.40(c)(2), providers may go to

<http://www.gpoaccess.gov/cfr/retrieve.html> on the Internet

If providers have any questions, they may contact their Medicare FI or A/B MAC at their toll-free number, which may be found at

<http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.