



Correction to Prevent Payment on Inpatient Information Only Claims for Beneficiaries Enrolled in Medicare Advantage Plans

MLN Matters Number: MM10238 **Revised**

Related Change Request (CR) Number: 10238

Related CR Release Date: December 22, 2017

Effective Date: April 1, 2015

Related CR Transmittal Number: R3943CP

Implementation Date: April 2, 2018

Note: This article was revised on December 22, 2017, to reflect a revised CR10238 issued on December 22. In the article, a reference to a discharge date in the last paragraph of the Background section is changed to say admission/from date. Also, the CR release date, transmittal number, and the Web address of the CR are revised. All other information remains the same.

PROVIDER TYPES AFFECTED

This MLN Matters Article is intended for hospitals billing Medicare Administrative Contractors (MACs) for inpatient services provided to Medicare beneficiaries enrolled in a Medicare Advantage (MA) plan.

WHAT YOU NEED TO KNOW

Change Request (CR) 10238 instructs MACs to allow the Common Working File (CWF) to set edit 5233 on inpatient information only claims billed with condition codes 04 and 30 for Investigational Device Exemption (IDE) Studies and Clinical Studies Approved Under Coverage with Evidence Development (CED), which will in turn allow the Fiscal Intermediary Standard System (FISS) to zero out payment. CR 10238 contains no new policy. It improves the implementation of existing Medicare payment policies.

BACKGROUND

The Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985, (Public Law: 99-272), provides for an additional payment to an urban hospital of 100 or more beds that serves a disproportionate share of low-income patients. Part of the calculation used to determine whether or not a hospital is eligible for Medicare Disproportionate Share Hospital (DSH) add-on payments is based on the percentage of days for which the beneficiary was entitled to Medicare Part A and received Supplemental Security Income (SSI) payments from the Social Security

Administration (SSA).

The Centers for Medicare & Medicaid Services (CMS) uses claims data to calculate a hospital's percentage of total Medicare days for which Medicare beneficiaries were simultaneously entitled to both SSI and Medicare. In order for MA enrolled inpatient days to be included in this Medicare/SSI fraction, the hospital must submit an informational only bill (Type of Bill (TOB) 11X) which includes Condition Code 04 to their MAC.

CMS was notified that a CWF edit that is required to prevent payment on information only claims for MA beneficiaries for IDE studies and Clinical Studies Approved Under CED, which should be paid by the Medicare Advantage Plan, is bypassed for claims billed with condition code (CC) 30, thereby causing a Medicare Fee-for-Service (FFS) payment in error.

To correct prior claims, hospitals should note that their MAC will reprocess inpatient information only claims with a payment greater than \$0, condition codes 04 and 30, one of the approved IDE or CED study numbers listed in the spreadsheet attachment to CR 10238 and an admission/from date on or after April 1, 2015, and before March 31, 2018, within 90 days of the implementation date of CR 10238.

ADDITIONAL INFORMATION

The official instruction, CR 10238, issued to your MAC regarding this change, is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2017Downloads/R3943CP.pdf>.

If you have any questions, please contact your MAC at their toll-free number. That number is available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Review-Contractor-Directory-Interactive-Map/>.

DOCUMENT HISTORY

Date of Change	Description
December 22, 2017	The article was revised to reflect a revised CR10238 issued on December 22. In the article, a reference to a discharge date in the last paragraph of the Background section is changed to say admission/from date. Also, the CR release date, transmittal number, and the Web address of the CR are revised. All other information remains the same.
October 27, 2017	Initial article released.

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