



News Flash - New Medicare Learning Network (MLN) Catalog Available!

The August 2007 edition of the MLN Products Catalog is now available - the MLN Products Catalog is an interactive downloadable document that lists all Medicare Learning Network products by media format. The catalog has been revised to provide new customer-friendly links that are embedded within the document. All product titles and the word "download" when selected, will link you to the online version of the product. The word "hard copy" when selected, will automatically link you to the MLN Product Ordering page. To access the catalog, visit <http://go.cms.gov/MLNGenInfo> on the CMS website.

MLN Matters Number: MM5659 **Revised**

Related Change Request (CR) #: 5659

Related CR Release Date: September 6, 2007

Effective Date: October 1, 2007

Related CR Transmittal #: R1333CP

Implementation Date: October 1, 2007

New Remark Code for Denying Separately Billed Services

Note: This article was updated on September 12, 2012, to reflect current Web addresses. This article was also revised on September 10, 2007, to reflect that CR5659 was revised. The CR transmittal number (see above) and the Web address for accessing CR5659 were revised. All other information remains the same.

Provider Types Affected

Medicare providers who submit claims to Medicare Part A/B Medicare Administrative Contractors (A/B MACs) or carriers for ambulance services rendered to Medicare beneficiaries.

Provider Action Needed

Be aware that contractors will use a new Remittance Advice Remark Code (RARC) message when denying ambulance claims submitted with a code(s) that is not separately billable and already included in the base rate. For claims submitted by ambulance suppliers that Medicare processes on or after October 1, 2007, and which Medicare denies because the code for the service does not appear on the Ambulance Fee Schedule, Medicare will return the RARC of N390 to show "This service cannot be billed separately." See the remainder of this article for further details.

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Key Points of CR5659

- Effective October 1, 2007, the new Remittance Advice Remark Code N390 and N185 with Claim Adjustment Reason Code 97, group code CO, will be used when denying any codes on the ambulance claims that does not appear on the Ambulance Fee Schedule.
- For such claims processed and denied on or after October 1, 2007, the following Medicare Summary Notice (MSN) message will be sent to Medicare beneficiaries: "16.45 - You cannot be billed separately for this item or service. You do not have to pay this amount."

Background

CR5659 is the official document that announces these changes in Medicare processes and states that effective January 1, 2006, items and services which include but are not limited to oxygen, drugs, extra attendants, supplies, EKG, and night differential are no longer paid separately for ambulance services. This occurred when the Centers for Medicare & Medicaid Services (CMS) fully implemented the Ambulance Fee Schedule. Therefore, payment is based solely on the Ambulance Fee Schedule amount as cited in 42 CFR § 414.615 (e) and such payment represents payment in full for all services, supplies, and other costs for an ambulance service furnished to a Medicare beneficiary. CMS was made aware that some providers are submitting claims with ancillary services that are included in the base rate.

CMS decided that a clearer denial message was needed to explain the reason for the denial and that this service is not separately billable and as a result, these claims/services should not be resubmitted. This is true whether the primary transportation service is allowed or denied. Remember that when these services are denied, the services are not separately billable to the beneficiaries.

Additional Information

For complete details regarding this Change Request (CR) please see the official instruction (CR5659) issued to your Medicare carrier or A/B MAC. That instruction may be viewed by going to <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1333CP.pdf> on the CMS website.

If you have questions, please contact your Medicare Carrier or A/B MAC, at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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