



The Acute Inpatient Prospective Payment System Fact Sheet (revised November 2007), which provides general information about the Acute Inpatient Prospective Payment System (IPPS) and how IPPS rates are set, is now available in downloadable format at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/AcutePaymtSysfctsh.pdf> from the Centers for Medicare & Medicaid Services Medicare Learning Network. If the URL above does not take you directly to the fact sheet, please copy and paste the URL in your web browser.

MLN Matters® Number: MM5876

Related Change Request (CR) #: 5876

Related CR Release Date: January 11, 2008

Effective Date: Discharges on or after April 1, 2008

Related CR Transmittal #: R1411CP

Implementation Date: April 7, 2008

April 2008 Update to the Medicare Code Editor (MCE) and Grouper

Note: This article was updated on July 6, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Hospitals that bill Medicare fiscal intermediaries (FI) or Medicare Administrative Contractors (A/B MAC) for services they provide to Medicare beneficiaries.

What You Need to Know

CR 5876, from which this article is taken, announces an April 2008 update to the Medicare Code Editor (MCE) and Grouper to accommodate the addition of the new Patient Status Discharge Code 70: "Discharges or Transfers to Other Types of Health Care Institutions not defined elsewhere in the UB-04 (CMS-1450) Manual Code List."

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Hospitals should make sure their billing staffs are aware of these MCE and Grouper changes so that they can update their systems to incorporate them, as needed.

Background

Section 503(a) of Public Law 108-173, as part of the amendments related to recognizing new technology under the Inpatient Prospective Payment System (IPPS), included a requirement to update ICD-9-CM codes twice a year instead of the single yearly (October 1) update. This section amended section 1886(d) (5) (K) of the Act by adding a clause (vii) which states that the "Secretary shall provide for the addition of new diagnosis and procedure codes on April 1 of each year, but the addition of such codes shall not require the Secretary to adjust the payment (or diagnosis-related group classification) until the fiscal year that begins after such date."

However, while coding updates for April releases of MCE/Grouper will not adjust payment; for this April 2008 release, the Centers for Medicare & Medicaid Services (CMS) needs to update the DRG software and other systems in order to recognize and accept the new patient status code of 70.

Additional Information

You can find more information about the April 2008 update to the MCE and Grouper by going to CR 5876, located at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1411CP.pdf> on the CMS website. You might also want to read the implementing instructions for Patient Discharge Status Code 70, which are discussed in MLN Matters Article MM5764 (**New Patient Status Discharge Code 70 to Define Discharges or Transfers to Other Types of Health Care Institutions not Defined Elsewhere in the UB-04 (CMS-1450) Manual Code List**) at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM5764.pdf> on the CMS website.

If you have any questions, please contact your Medicare FI 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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