

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



In September 2012, the Centers for Medicare & Medicaid Services (CMS) announced the availability of a new electronic mailing list for those who refer Medicare beneficiaries for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS). Referral agents play a critical role in providing information and services to Medicare beneficiaries. To ensure you give Medicare patients the most current DMEPOS Competitive Bidding Program information, CMS strongly encourages you to review the information sent from this new electronic mailing list. In addition, please share the information you receive from the mailing list and the link to the [“mailing list for referral agents”](#) subscriber webpage with others who refer Medicare beneficiaries for DMEPOS. Thank you for signing up!

MLN Matters® Number: MM8408

Related Change Request (CR) #: CR 8408

Related CR Release Date: December 6, 2013

Effective Date: April 1, 2014

Related CR Transmittal #: R1326OTN

Implementation Date: April 7, 2014

Informational Unsolicited Response (IUR) or Reject for Ambulance SNF to SNF Transfer

Note: This article was revised on December 9, 2013, to reflect the revised CR8408 issued on December 6. In the article, the CR release date, transmittal number, and the Web address for accessing the CR are revised. All other information remains the same.

Provider Types Affected

This MLN Matters® Article is intended for providers and suppliers submitting ambulance claims to A/B Medicare Administrative Contractors (MACs) for services to Medicare beneficiaries.

What You Need to Know

This article is based on Change Request (CR) 8408, implementing system changes to reject ambulance claims when suppliers are billing ambulance claims for Skilled Nursing Facility (SNF) to SNF transfer separately under Part B.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2012 American Medical Association.

- The contractor claim data identified suppliers that were billing ambulance claims for SNF to SNF transfer separately under Part B, resulting in overpayments.
- This resulted in an overpayment for a transport between two SNFs when a beneficiary is in a Part A covered SNF stay.
- The CMS policy, from the "Medicare Claims Processing Manual," Chapter 15, SNF Billing, Section 30.2.2, at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c15.pdf> indicates "ambulance transportation and related ambulance services for residents in a Part A stay are included in the SNF PPS rate and may not be billed as Part B services by the supplier. Therefore, a transport between two SNFs is not separately payable when a beneficiary is in a Part A covered SNF stay, and will result in a denial of a claim for such a transport."
- The Centers for Medicare and Medicaid Services (CMS) will implement system changes to reject for an ambulance claim when suppliers are billing ambulance claims for SNF to SNF transfer separately under Part B.

Make sure that your billing staffs are aware of these changes.

Background

The CMS Recovery Audit Contractor (RAC) program is responsible for identifying and correcting improper payments in the Medicare Fee-For-Service payment process. The contractor claim data identified suppliers that were billing ambulance claims for SNF to SNF transfer separately under Part B resulting in overpayments.

The SNF discharging the beneficiary to another SNF is financially responsible for the transportation fees and the ambulance providers should seek payment from the transferring SNF.

The following Group Code, Remittance Advice Remark Code (RARC) and Claims Adjustment Reason Code (CARC) will be used when creating an adjustment and a reject for impacted claims:

- Group Code – CO (Contractual Obligation (Provider is financial responsible));
- RARC N390 - This service/report cannot be billed separately;
- CARC 97 - The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated. Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.

Note: Attachment A of CR8408 contains a list of specified Healthcare Common Procedure Coding System (HCPCS) codes affected by these edits.

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Additional Information

The official instruction, CR 8408, issued to your Medicare contractor regarding this change, may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R1326OTN.pdf> on the CMS website.

If you have any questions, please contact your Medicare contractor 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.

News Flash - Generally, Medicare Part B covers one flu vaccination and its administration per flu season for beneficiaries without co-pay or deductible. Now is the perfect time to vaccinate beneficiaries. Health care providers are encouraged to get a flu vaccine to help protect themselves from the flu and to keep from spreading it to their family, co-workers, and patients. Note: The flu vaccine is not a Part D-covered drug. For more information, visit:

- [MLN Matters® Article #MM8433](#), "Influenza Vaccine Payment Allowances - Annual Update for 2013-2014 Season"
- [MLN Matters® Article #SE1336](#), "2013-2014 Influenza (Flu) Resources for Health Care Professionals"
- [HealthMap Vaccine Finder](#) - a free, online service where users can search for locations offering flu and other adult vaccines. While some providers may offer flu vaccines, those that don't can help their patients locate flu vaccines within their local community.
- The CDC website for [Free Resources](#), including [prescription-style tear-pads](#) that allow you to give a customized flu shot reminder to patients at high-risk for complications from the flu.

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