

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Medicare & Medicaid Services



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**MLN Matters® Number: MM9042**

**Related Change Request (CR) #: CR 9042**

**Related CR Release Date: January 30, 2015**

**Effective Date: January 1, 2014**

**Related CR Transmittal #: R1455OTN**

**Implementation Date: July 6, 2015**

## Corrections to Processing Service Facility Information on Hospice Claims

### Provider Types Affected

This MLN Matters® Article is intended for hospice agencies submitting claims to Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

### What You Need to Know

Change Request (CR) 9042 informs providers that MACs have reported that the Medicare system is incorrectly replacing the billing facility ZIP code with the service facility location ZIP code, resulting in inaccurate billing provider information and incorrect payments. The hospice benefit does not make payment based on the service facility location and CR9042 will require the Medicare system to correctly use the billing facility location and not to replace the billing facility location with the service facility location.

### Background

In compliance with the Health Insurance Portability and Accountability Act (HIPAA), the Centers for Medicare & Medicaid Services (CMS) issued instructions for optional reporting effective January 1, 2014 and mandatory reporting effective April 1, 2014, for hospice agencies billing Medicare for services provided in a facility other than their billing location

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to report the facility location information in the 5010 electronic claim transaction loop 2310E. Under the requirements of the 5010 electronic claim, this field has situational usage and must be reported when appropriate. For hospice claims, this data is informational only and not used for payment purposes.

The MACs that process hospice claims have reported that the Medicare system is applying the service facility location zip code to the billing facility record, resulting in inaccurate billing provider information and inaccurate payments for some physician services.

CR9042 requires the Medicare system to stop using the service facility location for the billing facility. MACs are required to correct provider records and claim payments when an error is brought to their attention by the billing facility within 6 months of the implementation date of CR9042. MACs may override timely-filing edits as necessary to correct claims.

### Additional Information

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The official instruction, CR9042, issued to your MAC regarding this change, is available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R1455OTN.pdf> on the CMS website.

If you have questions, please contact your MAC at their toll-free number. The number is available at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/index.html> under - How Does It Work?

**Seasonal Flu Vaccinations** - For information on coverage and billing of the influenza vaccine and its administration, please refer to [MLN Matters® Article #MM8890](#), “Influenza Vaccine Payment Allowances - Annual Update for 2014-2015 Season” and [MLN Matters® Article #SE1431](#), “2014-2015 Influenza (Flu) Resources for Health Care Professionals.”

Also, check out the following resources from the Centers for Disease Control and Prevention (CDC): [Influenza \(Flu\)](#) web page for the latest information on flu including the CDC 2014-2015 recommendations for the prevention and control of influenza, antiviral information, CDC flu mobile app, Q&As, toolkit for long term care employers, and other free resources. Review the CDC’s [Antiviral Drugs](#) website for information about how antiviral medications can be used to prevent or treat influenza when influenza activity is present in your community, and view the updated “Influenza Antiviral Medications: Summary for Clinicians.” A CDC Health Update reminding clinicians about the importance of flu antiviral medications was distributed via the CDC Health Alert Network on January 9, 2015, and is available at <http://emergency.cdc.gov/HAN/han00375.asp> on the Internet.

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