



# Guidance to Providers that Submit Outpatient Facility Claims and Those That Enter Claims Data via Direct Data Entry (DDE) Screens to Reduce Incidence of Claims Not Crossing Over

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Implementation Date: August 7, 2017

## PROVIDER TYPE AFFECTED

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This MLN Matters Special Edition (SE) Article is intended for two types of institutional provider billers: those who submit HIPAA Accredited Standards Committee (ASC) 837 X12N institutional claims for outpatient hospital facility services to Medicare, and those who submit claims to Medicare via Direct Data Entry (DDE).

## PROVIDER ACTION NEEDED

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This article instructs provider billing offices to correctly submit HIPAA ASC X12N 837 institutional claims to Medicare to reduce the incidence of receiving Return-to-Provider (RTP) edits on incoming 837 outpatient hospital facility claims as well as DDE claims due to edits that will be enforced as of August 7, 2017.

## BACKGROUND

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Currently, provider billing offices include Present on Admission (POA) information on incoming HIPAA ASC X12N 837 institutional claims for services that are exclusively incurred in the outpatient hospital facility setting. This action is not in compliance with HIPAA 837 Institutional Claim Technical Report-3 (TR-3) Guide, which indicates that POA information is only to be entered on claims to indicate whether a condition was present prior to admission into a hospital or acquired once admitted. Also, the Centers for Medicare & Medicaid Services (CMS) has determined that when provider billing offices enter hospital day counts (that is, number of covered days, non-covered days, co-insurance days, and Life Time Reserve (LTR) days)) as part of DDE claims entry, this action results in a duplication of day counts on outbound HIPAA ASC X12N 837 institutional Coordination of Benefits (COB)/crossover claims. To remedy these two issues, CMS wrote Transmittal 1770, Change Request (CR) 9681. CR9681 required the Fiscal Intermediary Shared System (FISS) maintainer to develop two (2) new RTP edits to: 1) address incorrect inclusion of POA indicators on claims whose Type of Bill (TOB) designation

was other than 11x, 18x, 21x, and 41x; and 2) prevent entry of day counts via the DDE claims submission screen. The two RTP edits developed were **34961**, which activates when a POA indicator is included on a TOB other than 11x, 18x, 21x, and 41x, and **36190**, which activates when a provider billing office enters day counts when billing claim to Medicare via the DDE process.

Initially, both RTP edits applied to “original” claims and to “all adjustment” claims, including mass adjustments generated through Medicare Administrative Contractor (MAC) action. Through subsequent MAC testing, Medicare has determined that the volume of RTP rejections would be much higher than intended if the edits were applied to original claims and to “all” adjustment claims. Therefore, during April 2017, CMS issued direction to its MACs to request that they temporarily turn off FISS RTP edits 34961 and 36190 until further notice.

### LATEST INFORMATION:

Through the issuance of Transmittal 1844, CR10103, CMS has indicated that it intends for the RTP edits 34961 and 36190 to apply to “original” claims and only to “provider-initiated” adjustment claims. **Important: Providers should note that the revised RTP edits will begin to apply to incoming claims on August 7, 2017.** This means:

Effective August 7, 2017, providers will encounter returned claims with RTP edit 34961 if they:

- Submit original or provider-initiated adjustment outpatient hospital facility claims (TOB other than 11x, 18x, 21x, and 41x) with a POA indicator.

Effective August 7, 2017, providers will encounter returned claims with RTP edit 36190 if they:

- Submit original or provider-initiated adjustment claims via DDE and include a day count (that is, number of covered days, non-covered days, co-insurance days, and LTR days).

### ADDITIONAL INFORMATION

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
June 6, 2017	Initial article released.

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