



Do you have your NPI? National Provider Identifiers (NPIs) will be required on claims sent on or after May 23, 2007. Every health care provider needs to get an NPI. Learn more about the NPI and how to apply for an NPI by visiting <http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/NationalProvIdentStand/index.htm> on the CMS web site.

MLN Matters Number: MM5073

Related Change Request (CR) #: 5073

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Related CR Transmittal #: R1001CP

Implementation Date: January 2, 2007

Modification to CWF Editing of the Existing Interrupted Stay Policy Under Long Term Care Hospital Prospective Payment System (LTCH PPS)

Note: This article was updated on November 8, 2012, to reflect current Web addresses. This article was previously revised on August 27, 2007 to add a reference CR5202. For Rate Year (RY) 2007, CR5202 (<http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R981CP.pdf>) discontinued the surgical-DRG exception to the three-day or less interruption of stay policy that was in effect for RYs 2005 and 2006. LTCHs are required to cover such treatment "under arrangements" as they do for all other medical care or services provided to inpatients during a three-day or less interruption of stay. The related MLN Matters article may be found at <http://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnmattersarticles/downloads/mm5202.pdf> on the CMS website. All other information remains unchanged.

Provider Types Affected

Providers submitting claims to Medicare fiscal intermediaries (FIs) for services to Medicare beneficiaries in long term care hospitals (LTCHs)

Impact on Providers



STOP – Impact to You

This article is based on Change Request (CR) 5073 which modifies Medicare's Common Working File (CWF) editing of the existing interrupted stay policy under the Long Term Care Hospital (LTCH) Prospective Payment System (PPS).

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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.

**CAUTION – What You Need to Know**

Currently, CWF is editing some LTCH claims incorrectly as an interrupted stay when a patient returns to the LTCH after the fixed-day threshold. CR5073 modifies CWF edits to correctly count the number of days applicable to interrupted stays to allow for two separate payments when the patient returns to the same LTCH after the applicable fixed-day threshold.

This is not a change in Medicare policy, but a correction of Medicare's claims processing system to conform to existing policy.

**GO – What You Need to Do**

See the *Background* and *Additional Information* sections of this article for further details regarding these changes.

Background

The Centers for Medicare & Medicaid Services (CMS) defines “interruption of a stay” as a stay at a Long Term Care Hospital (LTCH) during which a Medicare inpatient is:

- Discharged from the LTCH; and
- Readmitted to the same LTCH **within a specified period of time.**

Note: For payment purposes, all interrupted stays are treated as one discharge from the LTCH.

Originally (at the start of the LTCH PPS for FY 2003), the CMS interrupted stay policy addressed the situation where a LTCH patient returns to the same LTCH for additional care after he/she had been admitted to:

- An acute care hospital (ACH);
- An inpatient rehabilitation facility (IRF);
- A skilled nursing facility (SNF); or
- A swing bed.

This original interrupted stay policy is now defined as “**greater than 3-day interruption of stay.**”

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LTCH Interrupted Stay Timeframes at the Start of the LTCH PPS

Provider Type	Fixed-Day Period
ACH	1-9 days if surgical DRG is present on acute care hospital claim
ACH	4-9 days if no surgical DRG present on acute care hospital claim
IRF	4-27 days
SNF	4-45 days

The day-count of the applicable fixed-day period of an interrupted stay begins on the day of discharge from the LTCH.

Example

For example:

- If a patient was discharged from the LTCH on January 1, 2006, to an ACH, and returns to the same LTCH on January 9, 2006, this would be considered an interrupted stay; but
- If a patient was discharged from the LTCH on January 1, 2006, to an ACH, and returns to the same LTCH on January 10, 2006 (10 day period), this would *not* be considered an interrupted stay. In this instance, the LTCH would receive two separate Medicare payments.

In the May 7, 2004, Final Rule (42CFR412) for the LTCH PPS, CMS revised the interrupted stay policy to include a discharge and readmission to the same LTCH within three days, regardless of where the patient goes upon discharge.

You can find the May 7, 2004, final rule at the following GPO website:

http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title42/42cfr412_main_02.tpl on the Internet.

Medicare payment for any tests, procedure, or care provided would be the responsibility of the LTCH "under arrangements" **with one exception**: if treatment in an ACH would be grouped to a surgical DRG, a separate payment would be made to the ACH.

Currently, CWF is editing some LTCH claims incorrectly when the patient is discharged to an acute care hospital and returns to the same LTCH after the fixed-day threshold of 9 days.

CR5073 modifies CWF edits applicable to acute care discharges to correctly count the number of days applicable to interrupted stays to allow for two separate

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payments when the patient returns to the same LTCH from an ACH after the applicable fixed-day threshold of 9 days..

CR 5073 also instructs intermediaries to:

- Allow providers to adjust previously processed LTCH interrupted stay claims to allow for two separate payments if they were determined to have been processed incorrectly due to the incorrect counting of the days; and
- Override timely filing for adjusted claims when reprocessing to correct the interrupted stay when received within 6 months of the implementation date of CR 5073 (January 2, 2007).

Additional Information

For complete details, please see the official instruction issued to your intermediary regarding this change. That instruction may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1001CP.pdf> on the CMS website.

If you have any questions, please contact your intermediary 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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