



News Flash - Medicare Remit Easy Print (MREP) software allows professional providers and suppliers to view and print the Health Insurance Portability and Accountability Act (HIPAA) compliant 835. This software, which is available for free can be used to access and print RA information, including special reports, from the HIPAA 835. Please go to your Carrier or DME MAC's website to download the MREP software. To find your carrier or DME MAC's web address, see <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

MLN Matters Number: MM5793

Related Change Request (CR) #: 5793

Related CR Release Date: February 22, 2008

Effective Date: April 1, 2008

Related CR Transmittal #: R1465CP

Implementation Date: April 7, 2008

Payment for Initial Hospital Care Services (Codes 99221 – 99223) and Observation or Inpatient Care Services (Including Admission and Discharge Services) (Codes 99234 – 99236)

Note: This article was updated on June 20, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Physicians and qualified nonphysician practitioners (NPP) who bill Medicare carriers and Medicare Administrative Contractors (A/B/MACs) for inpatient services provided to Medicare beneficiaries.

What You Need to Know

CR 5793, from which this article is taken, updates initial hospital care policy found in the *Medicare Claims Processing Manual* that includes admission and discharge services on the same calendar date of service. It advises physicians and NPPs of which Current Procedural Terminology (CPT) codes to use when inpatient hospital care is less than 8 hours on the same calendar date, when a patient is admitted

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and discharged on a different calendar date, and when admitted for 8 hours but less than 24 hours on the same calendar date. It also identifies medical record documentation requirements.

Background

CR 5793, from which this article is taken, updates initial hospital care policy found in the *Medicare Claims Processing Manual*, Chapter 12 (Physicians/Nonphysician Practitioners), Section 30.6.9.1 (Payment for Initial Hospital Care Services (Codes 99221–99223 and Observation or Inpatient Care Services (Including Admission and Discharge Services) (Codes 99234 – 99236). It advises physicians and NPPs of the correct CPT codes to use when inpatient hospital care is less than 8 hours on the same calendar date, when a patient is admitted and discharged on a different calendar date, and when admitted for 8 hours but less than 24 hours on the same calendar date; and identifies medical record documentation requirements.

This physician payment policy was finalized in the Medicare Physician Fee Schedule Final Rule, dated November 1, 2000, Vol. 65, No. 212, pp. 65408 – 65409 with the implementation of the American Medical Association Current Procedural Terminology (CPT) codes for CPT 2001.

Specifically, CR 5793 reminds physicians and qualified NPPs that:

- When a patient is admitted to inpatient hospital care for less than 8 hours on the same calendar date, you shall report the Initial Hospital Care using a code from CPT code range 99221 – 99223. In this scenario, do not use the Hospital Discharge Day Management Service, CPT code 99238 or 99239;
- When a patient is admitted for inpatient hospital care and discharged on a different calendar date, you shall report the Initial Hospital Care using a code from CPT code range 99221 – 99223 and CPT code 99238 or 99239 for a Hospital Discharge Day Management Service; and
- When a patient is admitted to inpatient hospital care for a minimum of 8 hours but less than 24 hours and discharged on the same calendar date, you shall report the Observation or Inpatient Hospital Care Services (Including Admission and Discharge Services Same Day) using a code from CPT code range 99234 – 99236, and no additional discharge service.

Remember that your medical record documentation must meet the evaluation and management (E/M) documentation requirements for history, examination and medical decision making. For reporting CPT codes 99234 – 99236 the medical record shall include:

- Documentation stating the stay for hospital treatment or observation care status involves 8 hours but less than 24 hours;

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- Documentation identifying the billing physician was present and personally performed the services; and
- Documentation identifying the admission and discharge notes were written by the billing physician.

Additional Information

You can find more information about the correct CPT codes to use for Initial Hospital Care Services and Observation or Inpatient Care Services (Including Admission and Discharge Services) by going to CR 5793 located at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1465CP.pdf> on the Centers for Medicare & Medicaid Services (CMS) website. You will find the updated *Medicare Claims Processing* manual chapter 12 (Physicians/Nonphysician Practitioners), Section 30.6.9.1 (Payment for Initial Hospital Care Services (Codes 99221–99223 and Observation or Inpatient Care Services (Including Admission and Discharge Services) (Codes 99234 – 99236) as an attachment to that CR.

If you have any questions, please contact your carrier 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.

News Flash - It's Not Too Late to Give and Get the Flu Shot! In the U.S., the peak of flu season typically occurs anywhere from late December through March; however, flu season can last as late as May. Each office visit presents an opportunity for you to talk with your patients about the importance of getting an annual flu shot and a one time pneumococcal vaccination. Protect yourself, your patients, and your family and friends by getting and giving the flu shot. **Don't Get the Flu. Don't Give the Flu. Get Vaccinated!** Remember - Influenza and pneumococcal vaccinations and their administration are covered Part B benefits. Note that influenza and pneumococcal vaccines are NOT Part D covered drugs. You and your staff can learn more about Medicare's coverage of adult immunizations and related provider education resources, by reviewing Special Edition MLN Matters article SE0748 at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/SE0748.pdf> on the CMS website.

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