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Related Change Request (CR) #: 6002

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## Clarification on the Correct Condition Code to Report on Provider Adjustment Requests to Indicate a Health Insurance Prospective Payment System (HIPPS) Code Change

Note: This article was revised on July 28, 2008, to reflect that CR 6002 was revised on July 25, 2008. The CR release date, transmittal number, and the Web address for accessing CR 6002 have been changed in this article. All other information remains the same.

### Provider Types Affected

Skilled Nursing Facilities (SNF), Swing Bed (SB) providers, Inpatient Rehabilitation Facilities (IRF) and Home Health Agencies (HHA) who bill Medicare fiscal intermediaries (FI) and Medicare Administrative Contractors (A/B MAC) for services provided to Medicare beneficiaries.

### What You Need to Know

CR 6002, from which this article is taken, announces that, as of January 1, 2009, you should no longer use the D4 condition code to report HIPPS code changes on SNF adjustment requests, but rather should begin to use Condition Code D2 – Change in Revenue Codes/HCPCS/HIPPS Rate Codes instead.

### Background

Medicare systems have historically required Skilled Nursing Facilities (SNF) and Swing Bed (SB) providers to append condition code D4 to inpatient adjustment requests when a change is made to the original Health Insurance Prospective Payment System (HIPPS) code billed on the claim.

However, because the National Uniform Billing Committee (NUBC) has recently revised the definition for condition code D4, to indicate a change in clinical codes

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(ICD) for diagnosis and/or procedure codes, CR 6002, from which this article is taken, clarifies the correct condition code to report on adjustment requests when changing a previously processed HIPPS code,

Effective January 1, 2009, you should no longer use the D4 condition code to report HIPPS code changes on SNF adjustment requests, but instead should begin to use Condition Code **D2** – Change in Revenue Codes/HCPCS/HIPPS Rate Codes.

In addition, Medicare systems have been updated to require Inpatient IRFs and HH agencies to also report a condition code D2 on adjustment requests that alter the existing HIPPS code on a previous paid claim, effective January 1, 2009.

You should be aware that your FI or A/B MAC will return adjustment requests when a claim contains a HIPPS code change without a condition code D2.

### Additional Information

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You can find more information about the correct condition code to report on provider adjustment requests to indicate a health insurance prospective payment system (HIPPS) code change by going to CR 6002, located at <http://www.cms.hhs.gov/Transmittals/downloads/R1565CP.pdf> on the Centers for Medicare & Medicaid Services (CMS) website.

You will find updated *Medicare Claims Processing Manual* Chapter 6 (SNF Inpatient Part A Billing), Sections 30.5 (Adjustment to Health Insurance Prospective Payment System (HIPPS) Codes Resulting From Long Term Care Resident Assessment Instrument (RAI) Corrections) and 30.5.1 (Adjustment Requests) as an attachment to CR 6002. In addition you might want to refer to Chapter 25, (Completing and Processing the Form CMS-1450 Data Set), at <http://www.cms.hhs.gov/manuals/downloads/clm104c25.pdf> on the CMS website, for further description of the code sets reported on the CMS-1450.

If you have any questions, please contact your FI or A/B MAC at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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