

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services



NEW product from the Medicare Learning Network® (MLN)

- [“Reading the Institutional Remittance Advice”](#) Booklet, ICN 908326, downloadable

MLN Matters® Number: MM8923

Related Change Request (CR) #: CR 8923

Related CR Release Date: November 6, 2014

Effective Date: October 1, 2014

Related CR Transmittal #: R3118CP

Implementation Date: April 6, 2015

## Correction to Remittance Messages When Hospice Claims are Reduced Due to Late Filing of the Notice of Election

### Provider Types Affected

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

### Provider Action Needed

Change Request (CR) 8923 informs MACs about the changes to remittance advice messages applied to hospice claims when days are non-covered due to late filing of a Notice of Election. The messages will indicate that these days are appealable. Make sure that your billing staffs are aware of these changes.

### Background

Change Request (CR) 8877 established a policy for the timely filing of hospice Notices of Election (NOEs). It required that NOEs shall be submitted to, and accepted by, the MAC within five calendar days after the hospice admission date. In instances where a NOE is not timely-filed, Medicare will not cover and pay for the days of hospice care from the hospice admission date to the date the NOE is submitted to, and accepted by, the MAC.

#### Disclaimer

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CR8877 established an exception process where, in certain exceptional circumstances, a hospice can request the MAC to waive the consequences of filing the NOE late. The hospice files the associated claim with occurrence span code 77 used to identify the non-covered, provider liable days. The hospice also reports a KX modifier with the Q HCPCS code reported on the earliest dated level of care line on the claim. The KX modifier prompts the MAC to request the documentation supporting the request for an exception. Based on that documentation, the MAC shall determine if a circumstance encountered by a hospice qualifies for an exception.

If the MAC approves the request for an exception, the MAC processes the claim and removes the submitted provider liable days, which will allow payment for the days associated with the late-filed NOE. If the MAC finds that the documentation does not support allowing an exceptional circumstance, the MAC shall process the claim as submitted. Due to a system limitation, the provider liable days on these claims currently receive remittance advice remark code N211 (Alert: You may not appeal this decision) in error. The exception requests decisions are appealable. The purpose of CR8923 is to correct this error.

The provider liable days on these claims will receive the following remittance advice codes:

- Group Code CO;
- Remittance Advice Remarks Code 96; and
- Claim Adjustment Reason Code MA54.

## Additional Information

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The official instruction, CR8923 issued to your MAC regarding this change is available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3118CP.pdf> on the CMS website.

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

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