

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



MLN Matters® Number: MM9671

Related Change Request (CR) #: CR 9671

Related CR Release Date: August 5, 2016

Effective Date: January 1, 2017

Related CR Transmittal #: R17050TN

Implementation Date: January 3, 2017

Outlier Limitation on Outpatient Prospective Payment System (OPPS) Community Mental Health Centers (CMHC) Services

Provider Types Affected

This MLN Matters® Article is intended for Community Mental Health Centers (CMHCs) submitting claims to Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

Provider Action Needed

Change Request (CR) 9671 instructs Medicare shared systems maintainers and MACs to implement an Outlier Limitation on Outpatient Prospective Payment System (OPPS) CMHC Services. Make sure that your billing staffs are aware of these changes.

Background

In the 2017 OPPS final rule, the Centers for Medicare & Medicaid Services (CMS) finalized a limitation on outlier payments for CMHC services under the OPPS. Under these requirements, Medicare systems accumulate a calendar year-to-date total during claims processing, for each CMHC provider, the overall total payments the CMHC provider has received and the total of outlier payments they have received. The total payment amount includes any outlier payments. These totals are then compared to determine whether a CMHC provider has been paid 8 percent of their total payments for the calendar year-to-date in outliers. Thus, an individual CMHC provider will receive no more than 8 percent of its total CMHC OPPS payments in outlier payments. To make the outlier limitation more transparent to providers, a detail file of outlier payments will be created that each CMHC

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provider may review for the purpose of monitoring their payments accrued toward the outlier limitation.

MACs will use claim adjustment reason code 273 along with group code CO, rather than code 45, on the remittance advice of CMHC claims with dates of service on or after January 1, 2017, when an outlier amount is calculated but cannot be paid as a result of this rule. Also, MACs will use Remittance Advice Remark Code N523 in addition to Claim Adjustment Reason Code 273 along with group code CO on the remittance advice of CMHC claims with dates of service on or after January 1, 2017, when an outlier amount is calculated but cannot be paid.

Additional Information

Please also see CR 9882, with updated language regarding the implementation of the CMHC outlier cap, available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2017Downloads/R1782OTN.pdf>.

The official instruction, CR9671, issued to your MAC regarding this change, is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2017Downloads/R1705OTN.pdf>.

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	Description
May 12, 2017	Initial article released.

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