

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 807	Date: November 12, 2010
	Change Request 7141

SUBJECT: Expansion of Inpatient Prospective Payment System Transfer Policy to Include Critical Access Hospitals (CAHs) and Non-Participating Hospitals

I. SUMMARY OF CHANGES: Effective October 1, 2010, the transfer regulations at 42 CFR 412.4(b) include transfers to a Critical Access Hospital (CAH) and a transfer to a non participating hospital.

EFFECTIVE DATE: October 1, 2010

IMPLEMENTATION DATE: April 4, 2011

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	

III. FUNDING:

For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs):

No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

One-Time Notification

**Unless otherwise specified, the effective date is the date of service.*

Attachment – One-Time Notification

Pub. 100-20	Transmittal: 807	Date: November 12, 2010	Change Request: 7141
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SUBJECT: Expansion of Inpatient Prospective Payment System (IPPS) Transfer Policy to Include Critical Access Hospitals (CAHs) and Non-Participating Hospitals

Effective Date: October 1, 2010

Implementation Date: April 4, 2011

I. GENERAL INFORMATION

A. Background: A discharge of an acute hospital inpatient is considered to be a transfer for purposes of payment if the discharge is made from the acute hospital to the care of another inpatient prospective payment system (IPPS) hospital. This policy is also in effect for patients who leave against medical advice, known as LAMAs. For patients who are admitted to another IPPS hospital on the same day they leave an IPPS hospital, the “transferring” hospital will be subject to the payment outlined by the transfer policy. Only IPPS hospitals are subject to this policy.

B. Policy: Effective October 1, 2010, the transfer regulations at 42 CFR 412.4(b) include IPPS hospital transfers to a Critical Access Hospital (CAH) and a transfer to a non participating hospital.

II. BUSINESS REQUIREMENTS TABLE

Use “Shall” to denote a mandatory requirement

Number	Requirement	Responsibility (place an “X” in each applicable column)										
		A / B M A C	D M M A C	F I M A C	C A R E R	R H I	Shared-System Maintainers				OTH ER	
						F I S S	M C S	V M S	C W F			
7141.1	FISS shall map patient status code 66 to IPPS Pricer review code 03 or 06 if Condition Code 66 is present on the claim (as is done with patient status code 02).						X					
7141.2	CWF shall modify the 7111 edit to reject on all patient status codes except for 02, 66, or 07. Currently the edit only sets on patient status code 01, 05, and 07.										X	
7141.3	CWF shall disable alert 7531 and replace with an IUR for edit 7111.										X	
7141.4	Contractors shall send the claim to provider for correction. Currently, contractors change the patient status code to a 02.	X		X			X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B M A C	D M E M A C	F I I E R	C A R R I E R	R H I I E R	Shared-System Maintainers				OTH ER
						F I S S	M C S	V M S	C W F		
7141.5	<p>A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv.</p> <p>Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin.</p> <p>Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.</p>	X		X							

IV. SUPPORTING INFORMATION

Section A: For any recommendations and supporting information associated with listed requirements, use the box below:

Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
n/a	

Section B: For all other recommendations and supporting information, use this space: N/A

V. CONTACTS

Pre-Implementation Contact(s): Policy: Rachel.Katz@cms.hhs.gov

Claims: Sarah.shirey-Losso@cms.hhs.gov or Cami.DiGiacomo@cms.hhs.gov

Post-Implementation Contact(s): Appropriate Regional office

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs)*, *Regional Home Health Intermediaries (RHHIs)*:

No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

Section B: For *Medicare Administrative Contractors (MACs)*:

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.