

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-20 One-Time Notification</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 839</b>	<b>Date: January 21, 2011</b>
	<b>Change Request 7169</b>

**SUBJECT: Improved Processing of Oxygen Services on Home Health Claims**

**I. SUMMARY OF CHANGES:** This Change Request corrects a systems error that occurs when both portable and stationary oxygen equipment are billed on the same home health claim.

**EFFECTIVE DATE: October 1, 2010**

**IMPLEMENTATION DATE: July 5, 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.

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
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: 839	Date: January 21, 2011	Change Request: 7169
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**SUBJECT: Improved Processing of Oxygen Services on Home Health Claims**

**Effective Date:** 10/01/2010

**Implementation Date:** 07/05/2011

## I. GENERAL INFORMATION

### A. Background:

During the implementation of two recent Change Requests (CRs) regarding oxygen services (CRs 6340 and 6838), Medicare contractors identified limitations in Medicare systems that prevent the correct processing of certain portable oxygen services on home health claims. In cases where both stationary and portable oxygen services are billed on the same claim, the Fiscal Intermediary Shared System (FISS) is incorrectly moving the charges for the portable oxygen services reported on revenue code 0604 lines to lines for stationary oxygen services. As a result, the revenue code 0604 lines are transmitted to the Common Working File (CWF) with no charge amount and are rejected for this reason. The requirements below correct this problem and will allow claims with both stationary and portable oxygen services to be processed and paid correctly.

### B. Policy:

This CR contains no new policy. The requirements below implement existing home oxygen payment policy more accurately.

## II. BUSINESS REQUIREMENTS TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A D B M A C	D M M A C	F I E R	C A R I E R	R H H I	Shared-System Maintainers				OTH ER
						F I S S	M C S	V M S	C W F		
7169.1	Medicare contractors shall allow portable oxygen equipment rental (HCPCS codes E0431, E0433, E0434, E1392, K0738) to be billed separately using revenue code 0604 on types of bill 32x, 33x, or 34x (other than types of bill 322 or 332).						X				
7169.2	Medicare contractors shall process the monthly portable oxygen rental payment, when billed on the same bill as stationary oxygen equipment rental, as the higher of						X				

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H H I	Shared-System Maintainers				OTH ER
							F I S S	M I C S	V M S	C W F	
	%50 of the monthly stationary oxygen rental payment or the fee schedule amount for the portable oxygen add on.										
7169.3	Medicare contractors shall ensure that charges for portable oxygen equipment rentals (E0431, E0433, E0434, E1392, and K0738) are not rolled up into the charges for stationary oxygen equipment rentals when both are billed on the same claim. (NOTE: The submitted and covered charges will remain on both the stationary and portable equipment revenue code lines.)						X				
7169.4	Until requirements 7169.1 – 7169.3 are implemented, Medicare contractors shall hold claims when revenue codes for both stationary and portable oxygen equipment rentals are present.					X					HH & H MAC (J14)
7169.4.1	Medicare contractors shall append condition code 15 to any claims held due to requirement 7169.4.					X					HH & H MAC (J14)

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H H I	Shared-System Maintainers				OTH ER
							F I S S	M I C S	V M S	C W F	
7169.5	A provider education article related to this instruction will be available at <a href="http://www.cms.hhs.gov/MLNMattersArticles/">http://www.cms.hhs.gov/MLNMattersArticles/</a> shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. 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					X					HH & H MAC (J14)

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 I E R	R H I  I S S	Shared-System Maintainers				OTH ER
						F I S S	M C S	V M S	C W F		
	availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. 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.										

**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:
7169.1 – 7169.3	These requirements seek to address the FISS user concerns documented in question 66342, HPAR CR6430H2, and the returned PAR FS5766.

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

**V. CONTACTS**

**Pre-Implementation Contact(s):** Wil Gehne, [wilfried.gehne@cms.hhs.gov](mailto:wilfried.gehne@cms.hhs.gov), 410-786-6148

**Post-Implementation Contact(s):** Appropriate Regional Office

**VI. FUNDING**

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

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