

CMS Manual System

Pub 100-04 Medicare Claims Processing

Transmittal 530

Department of Health & Human Services

Center for Medicare and Medicaid Services

Date: APRIL 22, 2005

Change Request 3800

THIS CR IS A FULL REPLACEMENT FOR THE TRANSMITTAL 465, CR 3559, ISSUED FEBRUARY 4, 2005. CHANGE REQUEST 3559 IS RECINDED

SUBJECT: Billing Requirements for Physician Services Rendered in Method II Critical Access Hospitals (CAHs)

I. SUMMARY OF CHANGES: This transmittal: 1) Establishes a mechanism that will prevent the overpayment of physician services rendered in a Method II CAH; 2) Corrects the type of bill (TOB) for CAH outpatient to 85x (the TOB was stated as 72x in Change Request 3262, Transmittal 262, dated July 30, 2004); 3) Clarifies the non-applicability of the payment window provisions; 4) Includes the new file layout for the 2005, Physician Fee Schedule Supplemental file; and 5) Establishes a mechanism for a CAH, using the Method II payment methodology, with off-site outpatient departments/clinics to receive HPSA/PSA bonus payments if applicable.

NEW/REVISED MATERIAL :

EFFECTIVE DATE : 01/05/04 - HPSA Bonus; 01/03/05 - Physician Scarcity; 07/01/01 - Physician Services

IMPLEMENTATION DATE : July 05, 2005

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/revision 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
R	3/30/30.1.1/Payment for Inpatient Services Furnished by a CAH
R	4/250/250.2/Optional Method for Outpatient Services: Cost-Based Facility Services Plus 115 Percent Fee Schedule Payment for Professional Services

R	4/250/250.2.1/Billing and Payment in a Physician Scarcity Area (PSA)
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III. FUNDING:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2005 operating budgets.

IV. ATTACHMENTS:

Business Requirements

Manual Instruction

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