

# CMS Manual System

## Pub 100-04 Medicare Claims Processing

Transmittal 868

Department of Health &  
Human Services (DHHS)

Center for Medicare &  
Medicaid Services (CMS)

Date: FEBRUARY 21, 2006

Change Request 4264

*NOTE: Transmittal 832 dated February 2, 2006, is rescinded and replaced with Transmittal 868, dated February 21, 2006. This CR is being re-issued to include the following statement, "The Pricer will be implemented April 3, 2006," under Business Requirement 4264.3. All other information remains the same.*

**SUBJECT: Payment of Same Day Transfer Claims Under the Inpatient Psychiatric Facility Prospective Payment System (IPF PPS)**

**I. SUMMARY OF CHANGES:** This CR explains how to process same day transfer IPF claims which have been suspended since January 1, 2005. The CR also clarifies policies related to the calculation of the Tax Equity and Fiscal Responsibility Act limit for IPFs in critical access hospitals for FYs 1999 through 2002, and the comorbidity category, chronic obstructive pulmonary disease.

### NEW/REVISED MATERIAL

**EFFECTIVE DATE: January 1, 2005**

**IMPLEMENTATION DATE: July 3, 2006**

**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
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N/A

### III. FUNDING:

No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.

**IV. ATTACHMENTS:**

One-Time Notification

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

# Attachment – One-Time Notification

Pub. 100-04	Transmittal: 868	Date: February 21, 2006	Change Request 4264
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**SUBJECT: Payment of Same Day Transfer Claims Under the Inpatient Psychiatric Facility Prospective Payment System (IPF PPS)**

## **I. GENERAL INFORMATION**

**A. Background:** This CR clarifies how to process same day transfer claims which have been suspended since January 1, 2005. The CR also clarifies IPF PPS policies with respect to the calculation of the TEFRA limit for IPFs located in critical access hospitals (CAHs) for FYs 1999 through 2002 and the comorbidity category, chronic obstructive pulmonary disease.

## **B. Policy:**

### **Same Day Transfers**

A same day transfer occurs when a patient is admitted to an IPF and is subsequently transferred for acute care (or another type facility care) on the same day. If the patient is admitted to an IPF with the expectation that the patient will remain overnight, but is discharged before midnight, the day is counted as a total day, that is a cost report day but not a Medicare covered day. Currently, same day transfer claims are suspending in the FISS system because the IPF PPS Pricer is not programmed to accommodate zero covered days and there is no transfer policy under IPF PPS. This day will be considered covered and counted for cost reporting purposes, but will not be counted as a Medicare utilization day for the beneficiary.

Same Day Transfer IPF PPS claims suspended since January 1, 2005 are to be released and will be paid a one day per diem stay according to the payment rules governing IPF PPS. Interest is to be applied.

### **Calculation of Tax Equity and Fiscal Responsibility Act (TEFRA) Limit for IPFs Located in Critical Access Hospitals (CAHs) for FYs 1999 through 2002**

- The IPF PPS final rule states that if the provider ever had a TEFRA limit, the provider would not be a new provider under the IPF PPS and CMS would go back and use their TEFRA limit updated to current times. This includes those providers that previously closed their psych units and then re-opened.
- The rate-of-increase percentage for excluded hospitals and units (§413.40(c)) :





Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
	information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin and incorporated into any educational events on this topic. Contractors are free to supplement Medlearn Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.								

#### IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

##### A. Other Instructions:

X-Ref Requirement #	Instructions
4264.1	A same day transfer claim is identified with 0 covered days, 1 noncovered day, 1 cost report day, and Condition Code 40. A same day transfer claim does not subtract a utilization day from the Medicare beneficiary, but the day is counted for cost reporting purposes.
4264.3	FISS has already been instructed to install a new IPF Pricer (version 052) for April 2006 via CR 3881. These new codes will be updated in the same Pricer release.

##### B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

##### C. Interfaces: IPF Pricer 052

##### D. Contractor Financial Reporting /Workload Impact: N/A

##### E. Dependencies: N/A

##### F. Testing Considerations: N/A

## V. SCHEDULE, CONTACTS, AND FUNDING

<p><b>Effective Date*:</b> Discharges for cost reporting periods beginning on or after January 1, 2005</p> <p><b>Implementation Date:</b> July 3, 2006</p> <p><b>Pre-Implementation Contact(s):</b> Policy: Dorothy Colbert Claims Processing : Sarah Shirey-Losso</p> <p><b>Post-Implementation Contact(s):</b> Appropriate regional office</p>	<p><b>No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.</b></p>
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