



Method II Critical Access Hospital: Line-Level Rendering Provider Billing

Related Change Request (CR) Information	
Number: 14482	Release Date: May 28, 2026
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Transmittal Number: R13799CP	
Title: Updates to Publication 100-04, Chapter 4, Section 250.3.3.1 and 250.18 of the Internet Only Manual (IOM) for Critical Access Hospital (CAH) Line Level Rendering Providers	

Affected Providers

Critical access hospitals (CAHs) billing under Method II for professional services.

Action Needed

Make sure your billing staff knows about updates to the [Medicare Claims Processing Manual, Chapter 4](#), sections 250.3.3.1 and 250.18:

- CAHs must bill professional services that have rendering NPIs at the line level
- Medicare must be able to determine the line-level rendering professional for each outpatient service on a combined billing claim

Background

CMS is aware of Health Insurance Portability and Accountability Act (HIPAA) compliance issues involving some CAHs not billing professional services with rendering NPIs at the line level as [CR 7578](#) instructs. That CR implemented the display and storage of line-level NPIs for combined billing of professional and institutional services information. Later, we issued [CR 13900](#), where we created reason codes 31006 and 31007 to validate line-level rendering provider and practitioner NPIs. We did this to ensure that we reassigned these professional providers correctly for combined billing.

For more information on CAH billing and reason codes 31006 and 31007, refer to MLN Matters® article [MM14417](#).

When you submit a combined billing claim to Medicare, we must be able to:

- Determine the line-level rendering professional for each outpatient service
- Store this information in our databases for data analysis purposes

We also use the primary rendering professional to support:

- Standard claims processing
- Medical review
- Fraud detection
- HIPAA compliance
- Identifying revoked practitioners
- Overpayments
- Office of Inspector General audits
- Program planning
- Capturing potential practitioner-level incentives tied to the NPI

HIPAA requires you to report a claim-level rendering provider when it differs from the attending provider. HIPAA also requires you to report the line-level rendering provider when it differs from the claim-level rendering provider on combined claims that include both facility and professional charges. This applies to CAHs billing under Method II, federally qualified health centers, and rural health clinics.

Line-level editing applies to type of bill 085X and revenue codes 096X, 097X, and 098X using this hierarchy:

- The line-level “Rendering Provider” field when populated
- The claim-level “Rendering Provider” field when the line-level “Rendering Provider” field is blank
- The claim-level “Attending Provider” field when the claim-level “Rendering Provider” field is blank

Note: Blank NPI line-level rendering provider information indicates the claim-level rendering provider performed the professional services. Blank NPI claim-level rendering provider information indicates the attending provider performed the professional services.

This CR doesn’t include policy instructions. For more information, refer to the Medicare Claims Processing Manual, Chapter 4, sections 250.3.3.1 and 250.18.

More Information

We issued CR 14482 to your Medicare Administrative Contractor (MAC) as the official instruction for this change. For more information, find your [MAC’s website](#).

Document History

Date of Change	Description
June 1, 2026	Initial article released.

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