

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 13726	Date: April 10, 2026
	Change Request 14417

SUBJECT: Bypassing Reason Codes 31006 and 31007 for Outpatient Critical Access Hospital (CAH) Services Furnished by Certified Registered Nurse Anesthetists (CRNAs)

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to prevent Outpatient CAH CRNA professional services with a valid pass-through from receiving reason codes 31006 and 31007.

Change Request (CR) 13900, “*Editing for Duplicate Processing for Practitioner Professional Services and Critical Access Hospital (CAH) Professional Services,*” was implemented to track physicians’ reassignment of benefits to Critical Access Hospitals (CAHs). This CR created edits to ensure that reassignment information is on file when CAH claims containing professional services are submitted. It was brought to CMS’ attention that this should not be applied to CAH CRNA services with a valid pass-through status.

EFFECTIVE DATE: July 1, 2025

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

IMPLEMENTATION DATE: October 5, 2026

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	N/A

III. FUNDING:

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

Attachment - One-Time Notification

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II. GENERAL INFORMATION

A. Background: The purpose of this Change Request (CR) is to prevent reason codes 31006 and 31007 from assigning on Outpatient CAH CRNA professional services with a valid pass-through.

Change Request (CR) 13900 *“Editing for Duplicate Processing for Practitioner Professional Services and Critical Access Hospital (CAH) Professional Services,”* was implemented to detect and prevent duplicate billing of professional claims from CAHs and physicians with the same date of service, beneficiary, and procedure information. Overpayments have occurred because Medicare claims’ systems have not been programmed to detect when a CAH submits a claim for reimbursement for professional services, when the physician has reassigned their billing rights or when providers submit a claim for reimbursement when they have reassigned their billing rights to the CAH. These overpayments were identified in the Office of Inspector General (OIG) Report: Duplicate Medicare Professional Fee Billing by Both the Critical Access Hospital (CAH) and Health Care Practitioner to Medicare Part B (A-06-21-05003).

CMS has been made aware of an issue in which Fiscal Intermediary Shared System (FISS) reason codes 31006 and 31007 are being applied to Certified Registered Nurse Anesthetist (CRNA) pass-through exemption services. The reason codes are not intended to apply to CAH CRNA services when there is a valid pass-through on file.

B. Policy: Section 1833(1)(H) of the Social Security Act states that the amounts paid for a CRNA shall be 80 percent of the least of the actual charge or fee schedule amount. CRNAs rendering services in a Method II CAH have the option of reassigning their billing rights to the CAH to obtain fee schedule payment. A CRNA Indicator (CRNAI) of ‘Y’ on the provider file indicates that the CAH does not have a CRNA pass-through exemption. CRNA services in a Method II CAH with a CRNA pass-through exemption is an annual Medicare election allowing rural hospitals (typically less than 800 surgeries per year) to receive cost-based reimbursement for anesthesia services rather than fee schedule payments are not required to reassign their benefits.

III. BUSINESS REQUIREMENTS TABLE

“Shall” denotes a mandatory requirement, and “should” denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
14417.1	<p>The Contractor shall update edits to bypass reassignment editing for services with the following criteria:</p> <ul style="list-style-type: none"> • Type of Bill (TOB) 085X • Revenue Code 0964 • The provider has a valid CRNA pass-through • This includes reason codes 31006 and 31007 and any other appropriate reason codes that might apply. 					X				

IV. PROVIDER EDUCATION

Medicare Learning Network® (MLN): CMS will develop and release national provider education content and market it through the MLN Connects® newsletter shortly after we issue the CR. MACs shall link to relevant information on your website and follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 for distributing the newsletter to providers. When you follow this manual section, you don't need to separately track and report MLN content releases. You may supplement with your local educational content after we release the newsletter.

Impacted Contractors: A/B MAC Part A

V. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

VI. CONTACTS

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VII. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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ATTACHMENTS: 0