

<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 1786</b>	<b>Date: February 3, 2017</b>
	<b>Change Request 9872</b>

**SUBJECT: Update for Additional International Classification of Diseases (ICD)-10 Codes for the System Changes to Implement Section 231 of the Consolidated Appropriations Act, 2016, Temporary Exception for Certain Severe Wound Discharges From Certain Long-Term Care Hospitals (LTCHs)**

**I. SUMMARY OF CHANGES:** This change request (CR) is an update to include additional ICD-10 codes for the implementation of the temporary exception for certain wound care discharges from the site neutral payment rate for certain LTCHs.

**EFFECTIVE DATE: April 21, 2016**

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

**IMPLEMENTATION DATE: July 3, 2017**

*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	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

Pub. 100-20	Transmittal: 1786	Date: February 3, 2017	Change Request: 9872
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**SUBJECT: Update for Additional International Classification of Diseases (ICD)-10 Codes for the System Changes to Implement Section 231 of the Consolidated Appropriations Act, 2016, Temporary Exception for Certain Severe Wound Discharges From Certain Long-Term Care Hospitals (LTCHs)**

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## I. GENERAL INFORMATION

**A. Background:** Under the LTCH Prospective Payment System (PPS), for LTCH discharges in cost reporting periods beginning on or after October 1, 2015, Medicare established two separate payment categories for LTCH patients upon discharge. LTCH cases meeting specific clinical criteria are paid the LTCH PPS standard federal rate payment and those cases not meeting specific clinical criteria are paid the site neutral rate payment (i.e., the lesser of an “Inpatient Prospective Payment System (IPPS)-comparable” payment amount or 100 percent of the estimated cost of the case).

In general, in order to be paid at the LTCH PPS standard federal rate payment amount, an LTCH discharge must either:

1. have been admitted directly from an IPPS hospital during which at least 3 days were spent in an intensive care unit or coronary care unit, but the discharge must not have a principal diagnosis in the LTCH of a psychiatric or rehabilitation diagnosis; or
2. have been admitted directly from an IPPS hospital and the LTCH discharge is assigned to a Medicare Severity-Long-Term Care-Diagnosis Related Group based on the receipt of ventilator services of at least 96 hours, but must not have a principal diagnosis in the LTCH of a psychiatric or rehabilitation diagnosis.

Section 231 of the Consolidated Appropriations Act, 2016, establishes an additional temporary exception from the site neutral payment rate for patients discharged from certain LTCHs with a severe wound, effective for discharges occurring before January 1, 2017.

**B. Policy:** The Centers for Medicare & Medicaid Services (CMS) implemented Section 231 of the Consolidated Appropriations Act, 2016 in an interim final rule with comment period (IFC) that appeared in the **Federal Register** on April 21, 2016 (81 FR 23428 through 23438) and in CR 9599. (We refer contractors to that CR for additional information on the full requirements of Section 231.) In response to comments on that IFC, as finalized in a final rule that appeared in the **Federal Register** on August 22, 2016 (81 FR 57068 through 57075), CMS has updated the list of ICD-10 codes which qualify as severe wounds under the categories stage 3 wound, stage 4 wound, unstageable wound, non-healing surgical wound, fistula, and osteomyelitis. The complete list of ICD-10 codes for this provision is available for download at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/LongTermCareHospitalPPS/download.html>.

As noted in CR 9599, only grandfathered hospitals within hospitals (HwHs) are eligible for the temporary exception. MACs shall verify such status upon request from a hospital.

## II. BUSINESS REQUIREMENTS TABLE

*"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.*

Number	Requirement	Responsibility								
		A/B MAC			D M E	Shared-System Maintainers				Other
		A	B	H H H		F M V C	I C M W	S S S F		
9872.1	Medicare contractors shall update their systems to add ICD-10 diagnosis codes L97.112-L97.114, L97.122-L97.124, L97.912-L97.914, L97.921-L97.924, T81.30XA, T81.30XD, T81.31XA, T81.31XD, T81.32XA, T81.32XD, T81.4XX, T81.4XXA, T81.4XXD, T81.89XA, T81.89XD to the list of codes in Attachment A of CR 9599, Transmittal 1675, that qualify for LTCH PPS standard federal rate payment under the temporary exception for severe wounds from certain LTCHs.					X				
9872.2	Medicare contractors shall reprocess claims with a through date (for interim claims) or a discharge date (for final claims) on or after 04/21/2016 through 12/31/16, when the PSF Temporary Relief Indicator for an LTCH equals 'Y' and one of the ICD-10 diagnosis codes listed in BR 9872.1. The claims shall be reprocessed within 60 days from the implementation date of this change request.	X								
9872.3	Medicare contractors shall verify a hospital's status as a grandfathered HwH upon request from the hospital.	X								
9872.4	Medicare contractors shall notify Emily Lipkin at emily.lipkin@cms.hhs.gov when they have verified a hospital's status as a grandfathered HwH. Such notification shall include the hospital's name and Medicare Provider number.	X								

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility					
		A/B MAC			D M E	C E D I	Other
		A	B	H H H			
9872.5	MLN Article: A provider education article related to this instruction will be available at <a href="http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/">http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/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 sites and include information about it in a listserv message within 5 business days after receipt of the notification from CMS announcing the availability of the article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would	X					

Number	Requirement	Responsibility				
		A/B MAC			D M E D I	C E D I
		A	B	H H H		
	benefit their provider community in billing and administering the Medicare program correctly.					

**IV. 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**

**V. CONTACTS**

**Pre-Implementation Contact(s):** Cindy Pitts, Cindy.Pitts@cms.hh.gov, Valeri Ritter, Valeri.Ritter@cms.hhs.gov, Emily Lipkin, Emily.Lipkin@cms.hhs.gov

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

**VI. FUNDING**

**Section A: For Medicare Administrative Contractors (MACs):**

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**ATTACHMENTS: 0**