MLN Matters

Information for Medicare Fee-For-Service Health Care Professionals

News Flash - A new MLN Matters provider education article is now available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/SE0837.pdf on the CMS website. This Special Edition article assists all providers who will be affected by Medicare Administrative Contractor (MAC) implementations. It provides information to make you aware of what to expect as your FI or carrier transitions its work to a MAC. This article alerts providers as to what to expect and how to prepare for the MAC implementations and will help to minimize any disruption in your Medicare business.

Note: This article was updated on September 5, 2012, to reflect current Web addresses. Previously, this article was revised on November 2, 2010, to add a reference to MM7024 to alert inpatient hospitals that effective with the implementation of 5010, IPPS will no longer report the POA Indicator of 1 and the K3 segments is no longer to be used to report POA. MM7024 is available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM7024.pdf on the CMS website.

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Present on Admission (POA) Indicator Payment Implications

Provider Types Affected

Hospitals that submit claims to fiscal intermediaries (FI) or Part A/B Medicare Administrative Contractors (MACs) for Medicare beneficiary inpatient services.

Provider Action Needed

While this article is informational in nature, it is very important that hospitals properly report the Present on Admission (POA) Indicator for all claims involving

inpatient admissions to general acute care hospitals. In order to group claims into the proper Medicare Severity Diagnosis Related Group (MS-DRG) and pay claims appropriately based on the Hospital Acquired Conditions (HAC) regulations, the Centers for Medicare & Medicaid Services (CMS) must capture the POA Indicator for all claims involving inpatient admissions to general acute care hospitals. Use the UB-04 Data Specifications Manual and the ICD-9-CM Official Guidelines for Coding and Reporting to facilitate the assignment of the POA indicator for each "principal" diagnosis and "other" diagnosis codes reported on claim forms UB-04 and 837 Institutional. Information regarding the UB-04 Data Specifications may be found at http://www.nubc.org/become.html on the Internet. Information regarding the ICD-9-CM guidelines is available at http://www.cms.gov/Medicare/Coding/ICD9ProviderDiagnosticCodes/index.html on the CMS website.

Background

This article is not intended to replace any guidelines in the main body of the ICD-9-CM Official Guidelines for Coding and Reporting. The POA Indicator guidelines are not intended to provide guidance on when a condition should be coded, but rather to provide guidance on how to apply the POA Indicator to the final set of diagnosis codes that have been assigned in accordance with Sections I, II, and III of the official coding guidelines. Subsequent to the assignment of the ICD-9-CM codes, the POA Indicator should be assigned to all diagnoses that have been coded.

> **Note: Critical access hospitals, Maryland waiver hospitals, long term care hospitals, inpatient rehabilitation facilities, inpatient psychiatric facilities, cancer hospitals, and children's inpatient facilities are exempt from this requirement.**

As stated in the Introduction to the ICD-9-CM Official Guidelines for Coding and Reporting, a joint effort between the healthcare provider and the coder is essential to achieve complete and accurate documentation, code assignment, and reporting of diagnosis and procedure codes. The importance of consistent, complete documentation in the medical record cannot be overemphasized. Medical record documentation from any qualified healthcare practitioner who is legally accountable for establishing the patient's diagnosis.

The provider, a provider's billing office, third party billing agents and anyone else involved in the transmission of this data shall insure that any resequencing of diagnosis codes prior to transmission to CMS also includes a resequencing of the POA Indicators. The table below outlines the payment implications for each of the different POA Indicator reporting options.

CMS POA Indicator Options and Definitions

Code	Reason for Code
Y	Diagnosis was present at time of inpatient admission. *CMS will pay the complicating condition/major complicating condition (CC/MCC) DRG for those selected HACs that are coded as "Y" for the POA Indicator.*
N	Diagnosis was not present at time of inpatient admission. *CMS will **not** pay the CC/MCC DRG for those selected HACs that are coded as "N" for the POA Indicator.*
U	Documentation insufficient to determine if the condition was present at the time of inpatient admission. *CMS will **not** pay the CC/MCC DRG for those selected HACs that are coded as "U" for the POA Indicator.*
W	Clinically undetermined. Provider unable to clinically determine whether the condition was present at the time of inpatient admission. *CMS will pay the CC/MCC DRG for those selected HACs that are coded as "W" for the POA Indicator.*
1	Unreported/Not used. Exempt from POA reporting. This code is equivalent to a blank on the UB-04, however; it was determined that blanks are undesirable when submitting this data via the 4010A. *CMS will not pay the CC/MCC DRG for those selected HACs that are coded as "1" for the POA Indicator. The "1" POA Indicator should not be applied to any codes on the HAC list. **These claims will be returned to the provider for correction.*** *For a complete list of codes on the POA exempt list, see page 110 of the Official Coding Guidelines for ICD-9-CM.* *http://www.cdc.gov/nchs/datawh/ftpserv/ftpicd9/icdguide08.pdf*

Additional Information

Providers may find further information concerning HACs and POAs at
http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalAcqCond/index.html on the CMS website. You may also want to review related MLN Matters articles MM5499 and MM6086, which are at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM5499.pdf and http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM6086.pdf respectively.

Effective with the implementation of 5010, IPPS will no longer report the POA Indicator of 1 and the K3 segments is no longer to be used to report POA. For more information, providers should review MM7024, which is available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM7024.pdf on the CMS website.

If you have any questions, please contact your FI or MAC at their toll-free number, which may be found at http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html

 on the CMS website.

News Flash - "Flu season is here! Medicare patients give many reasons for not getting their annual flu shot, including—"It causes the flu"; "I don't need it"; "It has side effects"; "It's not effective"; "I didn't think about it"; "I don't like needles!" The fact is that every year in the United States, on average, about 36,000 people die from influenza. Greater than 90 percent of these deaths occur in individuals 65 years of age and older. You can help your Medicare patients overcome these odds and their personal barriers through patient education. Talk with your Medicare patients about the importance of getting an annual flu shot--and don't forget to immunize yourself and your staff. Protect yourself, your patients, and your family and friends. **Get Your Flu Shot – Not the Flu. Remember** - Influenza vaccine plus its administration are covered Part B benefits. Note that influenza vaccine is NOT a Part D covered drug. For information about Medicare's coverage of the influenza virus vaccine and its administration as well as related educational resources for health care professionals and their staff, see http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/flu_products.pdf on the CMS website. To download the Medicare Part B Immunization Billing quick reference chart, go to http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/qr_immun_bill.pdf on the CMS website. A copy of this quick reference chart can be ordered, free of charge, by going to the MLN Products web page and clicking on "MLN Product Ordering Page" in the Related Links Inside CMS section of the web page.