

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



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Related Change Request (CR) #: CR 9015

SE Article Release Date: October 18, 2016

Effective Date: Discharges in Cost Reporting Periods on or after October 1, 2015

Related CR Transmittal #: R1544OTN

Implementation Date: October 5, 2015

Further Information on the Implementation of Long-Term Care Hospital (LTCH) Prospective Payment System (PPS) Based on Specific Clinical Criteria

Provider Types Affected

This MLN Matters® Special Edition (SE) Article is intended for Long-Term Care Hospitals (LTCHs) that submit claims to Medicare Administrative Contractors (MACs) for Long-Term Care Hospital services provided to Medicare beneficiaries.

What You Need to Know

Change Request (CR) 9015, Transmittal 1544, Implementation of Long-Term Care Hospital (LTCH) Prospective Payment System (PPS) Based on Specific Clinical Criteria, issued September 22, 2015, describes the immediately preceding hospital as an Inpatient PPS hospital, which is inconsistent with the policy set forth in the Code of Federal Regulations. The regulations at CFR 412.522 specifies the immediately preceding discharge is from a “subsection (d) hospital”, which in general, means a hospital located in one of the 50 States or the District of Columbia other than certain specified IPPS-excluded hospitals (that is, psychiatric hospitals, rehabilitation hospitals, children’s hospitals, LTCHs, and cancer hospitals) (see §412.503).

Medicare’s claims processing system was programmed correctly to identify subsection (d) hospitals, however, the patient may have had an immediately preceding inpatient stay at a subsection (d) hospital that is not present in the Medicare claims processing system. For example, the patient may have used their Veteran Affairs benefits or received inpatient care at a military treatment facility that qualifies as an “immediately preceding” stay (prior to

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admission to the LTCH) if verified by the MAC. In such an occurrence, upon receipt of a site neutral payment, the LTCH shall contact their MAC who will work with the LTCH to obtain the documentation it finds sufficient to demonstrate that the applicable criteria for exclusion from the site neutral payment rate have been met and adjust the applicable LTCH claim to make any appropriate adjustments to payment.

Additional Information

The article related to CR9015, MM9015, is available at <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9015.pdf>.

If you have any questions, please contact your MAC at their toll-free number. That number is available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Review-Contractor-Directory-Interactive-Map/>.

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