



## Billing for Hospital Part B Inpatient Services

MLN Matters Number: MM11181

Related Change Request (CR) Number: 11181

Related CR Release Date: March 22, 2019

Effective Date: October 1, 2013

Related CR Transmittal Number: R4259CP

Implementation Date: June 29, 2019

### **PROVIDER TYPE AFFECTED**

---

This MLN Matters Article is for physicians, providers, and suppliers billing Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

### **PROVIDER ACTION NEEDED**

---

CR11181 provides billing instructions for hospital Part B inpatient services. Make sure your billing staffs are aware of these instructions.

### **BACKGROUND**

---

Medicare pays for hospital, including Critical Access Hospital (CAH), inpatient Part B services in the circumstances provided in the Medicare Benefit Policy Manual, Chapter 6, Section 10 (Medical and Other Health Services Furnished to Inpatients of Participating Hospitals). Hospitals must bill Part B inpatient services on a 12x Type of Bill. This Part B inpatient claim is subject to the statutory time limit for filing Part B claims described in the Medicare Claims Processing Manual, Chapter 1, Section 70.

A hospital may bill for Part B inpatient services if the hospital determines under Medicare's utilization review requirements that a beneficiary should have received hospital outpatient rather than hospital inpatient services, and the hospital already discharged the beneficiary from the hospital (commonly referred to as hospital self-audit). If the hospital already submitted a claim to Medicare for payment under Part A, the hospital must cancel its Part A claim prior to submitting a claim for payment of Part B inpatient services.

Whether or not the hospital submitted a claim to Part A for payment, Medicare requires the hospital to submit a Part A claim indicating that the provider is liable under Section 1879 of the Social Security Act for the cost of the Part A services. The hospital could then submit an inpatient claim for payment under Part B for all services that would have been reasonable and necessary if the hospital treated the beneficiary as a hospital outpatient rather than admitted as a hospital inpatient, except where those services specifically require an outpatient status.

## ADDITIONAL INFORMATION

The official instruction, CR11181, issued to your MAC regarding this change is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2019Downloads/R4259CP.pdf>.

If you have questions, your MACs may have more information. Find their website at <http://go.cms.gov/MAC-website-list>.

## DOCUMENT HISTORY

Date of Change	Description
March 22, 2019	Initial article released.

**Disclaimer:** This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2018 American Medical Association. All rights reserved.

Copyright © 2013-2019, the American Hospital Association, Chicago, Illinois. Reproduced by CMS with permission. No portion of the AHA copyrighted materials contained within this publication may be copied without the express written consent of the AHA. AHA copyrighted materials including the UB-04 codes and descriptions may not be removed, copied, or utilized within any software, product, service, solution or derivative work without the written consent of the AHA. If an entity wishes to utilize any AHA materials, please contact the AHA at 312-893-6816. Making copies or utilizing the content of the UB-04 Manual, including the codes and/or descriptions, for internal purposes, resale and/or to be used in any product or publication; creating any modified or derivative work of the UB-04 Manual and/or codes and descriptions; and/or making any commercial use of UB-04 Manual or any portion thereof, including the codes and/or descriptions, is only authorized with an express license from the American Hospital Association. To license the electronic data file of UB-04 Data Specifications, contact Tim Carlson at (312) 893-6816. You may also contact us at [ub04@healthforum.com](mailto:ub04@healthforum.com)

The American Hospital Association (the "AHA") has not reviewed, and is not responsible for, the completeness or accuracy of any information contained in this material, nor was the AHA or any of its affiliates, involved in the preparation of this material, or the analysis of information provided in the material. The views and/or positions presented in the material do not necessarily represent the views of the AHA. CMS and its products and services are not endorsed by the AHA or any of its affiliates.