CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-20 One-Time Notification	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 2178	**Date: November 2, 2018**
	Change Request 10986

SUBJECT: Removal of the Provider Requirement for Reporting on an Institutional Claim a Value Code (VC) 05 - Professional Component-Split Implementation

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to remove any editing for the requirement of value code 05 on an institutional claim.

EFFECTIVE DATE: April 1, 2019
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: April 1, 2019 - Analysis and Design; July 1, 2019 - Development and Implementation

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

Pub. 100-20	Transmittal: 2178	Date: November 2, 2018	Change Request: 10986

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I. GENERAL INFORMATION

A. Background: Currently, when there is no VC 05 submitted on an institutional claim other than hospital outpatient prospective payment system (OPPS) editing is applying and not allowing the claim to process to completion.

The Medicare Manual currently states the following: Value code 05, Professional Components Included in Charges and also billed Separately to Carrier," was discontinued with the implementation of OPPS, including claims for Critical Access Hospitals and other hospitals not subject to OPPS.

When reviewing the information provided to the Center for Medicare & Medicaid Services (CMS), it was determined that coding was not completely implemented for value code 05 for all institutional types of bills.

This instruction will remove any editing for the requirement of value code 05 on an institutional claim.

B. Policy: N/A

II. 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	
10986.1	Contractors shall deactivate all reason codes that involve editing only the value code 05 and amount against other values/conditions. This excludes any reason codes that validate the value code and amount; that the 05 is a valid value code and that the amount is in the valid format. Examples of reason codes to deactivate are 31329, 31348, 31359, 32065, 37516, 37518, and 39552.					X				
10986.2	Contractors shall modify all reason codes that include as one its conditions the value code 05 and amount to remove the logic associated only with value code 05					X				

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared-System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
	and amount. Examples of reason codes to modify are 31387 and 31491.									
10986.3	Contractors shall modify its existing logic to no longer use value code 05 and associated amount in any editing or calculation other than validation of the fields and sorting.					X				

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E D I
		A	B	H H H		
	None					

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): Charles Nixon, Charles.Nixon@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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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.

ATTACHMENTS: 0