

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2231	Date: January 25, 2019
	Change Request 11053

SUBJECT: Processing Veterans Administration (VA) Inpatient Claims Exempt from Present on Admission (POA) Reporting

I. SUMMARY OF CHANGES: This purpose of this Change Request (CR) is to ensure that Medicare Severity Diagnosis Related Group (MS-DRG) Grouper does not apply the Hospital Acquired Condition (HAC) logic to VA inpatient claims exempt from reporting POA indicators.

EFFECTIVE DATE: July 1, 2019

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

IMPLEMENTATION DATE: July 1, 2019

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

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I. GENERAL INFORMATION

A. Background: The HAC-POA payment provision required by the Deficit Reduction Act of 2005 (DRA of 2005) applies only to Inpatient Prospective Payment System (IPPS) hospitals; therefore, VA hospitals are exempt from reporting POA Indicators and End of POA Indicators. An End of POA indicator 'X' is necessary so that the IPPS grouper software will not apply HAC DRG logic to these claims.

This CR will instruct the Fiscal Intermediary Shared System to code an 'X' to the end of the K3 segment (Direct Data Entry, hardcopy, or electronic media claims modes of entry) so that Grouper will know not to apply the HAC DRG logic to these claims.

B. Policy: DRA of 2005

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	
11053.1	The Medicare contractor shall move the value of 'X' to the end of the series for POA indicators on exempt VA Inpatient Hospital claims with any date of service processed on or after 07/01/19, regardless of the value present in the field, so that Grouper does not apply HAC logic to these claims.					X				

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
11053.2	MLN Article: CMS will make available an MLN Matters provider education article that will be marketed through the MLN Connects weekly newsletter shortly after the CR is released. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1, instructions for distributing MLN Connects information to providers, posting the article or a direct link to the article on your website, and including the article or a direct link to the article in your bulletin or newsletter. You may supplement MLN Matters articles with localized information benefiting your provider community in billing and administering the Medicare program correctly. Subscribe to the "MLN Matters" listserv to get article release notifications, or review them in the MLN Connects weekly newsletter.	X				

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements:

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
	CR 6086

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Cami DiGiacomo, cami.digiacomocms.hhs.gov (Inpatient hospital claims) , Yvonne Young, yvonne.youngcms.hhs.gov (VA claims)

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