

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-20 One-Time Notification</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 1403</b>	<b>Date: August 1, 2014</b>
	<b>Change Request 8704</b>

**SUBJECT: Change in Applying Co-insurance and Lifetime Reserve (LTR) Amounts on Informational Only Claims with Condition Code (CC) 04**

**I. SUMMARY OF CHANGES:** This change request instructs the Fiscal Intermediary Standard System (FISS) maintainer to not apply coinsurance or LTR amounts on informational only claims with cc 04 to correct an out of balance issue with the Remittance Advice.

**EFFECTIVE DATE: January 1, 2015**

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

**IMPLEMENTATION DATE: January 5, 2015**

*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.*

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
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 obliged 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:** Inpatient Prospective Payment System (IPPS) and Inpatient Rehabilitation Facility (IRF) hospitals are required to submit data on their Medicare Advantage (MA) days so that these days are accurately counted in the Medicare fraction of the Disproportionate Share Hospital (DSH) calculation. The IPPS regulations on Medicare DSH are located in 42 CFR 412.106. The IRF PPS regulations on Low-Income Patients (LIP) are located in 42 CFR 412.624(e)(2). Inpatient claims for MA days are for informational purposes only, therefore no payment is made by Medicare. Recently, it was reported that an out of balance is occurring because the coinsurance amount is being reported on the Electronic Remit Advice (ERA) or Standard Paper Remit (SPR) of these informational only claims.

**B. Policy:** There are no policy changes with the implementation of this change request.

## II. BUSINESS REQUIREMENTS TABLE

*"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.*

Number	Requirement	Responsibility									
		A/B MAC			D M E	Shared- System Maintainers				Other	
		A	B	H H H		F M V C	M I C M W	S S S F			
8704.1	Medicare contractor shall not apply inpatient coinsurance or lifetime reserve amounts to any covered 11X TOBs when a Condition Code 04 is present.					X					

**III. PROVIDER EDUCATION TABLE**

Number	Requirement	Responsibility				
		A/B MAC			D M E	C D I
		A	B	H H H	M A C	
	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):** Cami DiGiacomo, cami.digiacom@cms.hhs.gov

**Post-Implementation Contact(s):** Contact your Contracting Officer’s Representative (COR) or Contractor Manager, as applicable.

**VI. FUNDING**

**Section A: For Medicare Administrative Contractors (MACs):**

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**ATTACHMENTS: 0**