

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 637	Date: February 5, 2010
	Change Request 6695

Transmittal 637, dated February 5, 2010, is being reissued to include the HCPCS Attachment that was inadvertently omitted during the initial release. The transmittal number, date issued and all other material remains the same.

SUBJECT: Common Working File (CWF) Edit to Reject Claims for Durable Medical Equipment (DME) Provided to Medicare Beneficiaries During Non-Covered Stays in a Skilled Nursing Facility (SNF)

I. SUMMARY OF CHANGES: This Change Request instructs the CWF maintainer to create a new edit to reject claims for DME when the beneficiary was in a non-covered SNF stay at the time that the DME was furnished to the beneficiary.

New / Revised Material

Effective Date: July 1, 2010

Implementation Date: July 6, 2010

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	

III. FUNDING:

SECTION A: For Fiscal Intermediaries and Carriers:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

SECTION B: 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

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

Attachment – One-Time Notification

Pub. 100-20	Transmittal: 637	Date: February 5, 2010	Change Request: 6695
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SUBJECT: Common Working File (CWF) Edit to Reject Claims for Durable Medical Equipment (DME) Provided to Medicare Beneficiaries During Non-Covered Stays in a Skilled Nursing Facility (SNF)

Effective Date: July 1, 2010

Implementation Date: July 6, 2010

I. GENERAL INFORMATION

A. Background: Medicare Part A covers post-hospital extended care services for a beneficiary's stay of up to 100 days in a SNF. If such SNF-based care is still needed after the 100 days have expired or if the beneficiary did not qualify for a Part A stay, Medicare Part B may provide coverage for certain medical and other health care services furnished to the beneficiary while residing in the SNF.

However, section 1861(n) of the Social Security Act ("The Act") limits Part B coverage under the DME benefit to those items that are furnished for use in a patient's home. This provision further specifies that any institution meeting the basic definition of a hospital in section 1861(e)(1) of the Act, or of a SNF in section 1819(a)(1) of the Act, cannot be considered a patient's "home" for this purpose. As defined in the Act, SNFs and dually-certified nursing homes (those certified for both Medicare and Medicaid) never qualify as a beneficiary's home because they provide primarily skilled care or rehabilitation services.

The Department of Health and Human Services' Office of Inspector General recently conducted an audit and discovered a claims processing vulnerability whereby Medicare Part B allowed inappropriate payments for DME provided during non-Part A stays in Medicare-certified SNFs. As explained above, these payments are considered inappropriate because the DME was provided in a facility that does not qualify as the beneficiary's home.

This CR instructs the CWF maintainer to create a new edit to reject claims for DME when the beneficiary was in a non-covered SNF stay at the time that the DME was furnished to the beneficiary.

B. Policy: The CWF maintainer shall create an edit to reject claims for DME provided to Medicare beneficiaries residing in SNFs when the date of service (DOS) on the claim for the DME is equal to the From date and Thru date range on a non-covered SNF stay claim (Type of Bill (TOB) 210). Contractors shall adjust previously processed claims for DME, if the contractor determines that the beneficiary was in a SNF stay at the time that the DME was furnished.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)
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		A / B M A C	D M E M A C	F I	C A R R I E R	R H I	Shared-System Maintainers				OTHER		
							F I S S	M C S	V M S	C W F			
6695.1	The CWF maintainer shall create an edit to reject a claim for DME containing the HCPCS codes found in the attached list, when the DOS on the claim overlaps the From and Thru date range on a claim for a non-covered SNF stay (TOB 210).										X		
6695.1.1	The CWF maintainer shall include SNF no payment bills ((TOB 210 with condition code 21), indicating billing for a denial) in the new edit.											X	
6695.1.1.1	The CWF maintainer shall ensure that the edit reads Medicare Part A claims history for claims with TOB 210 where an Occurrence Code 22 (Date Active Care Ended) and a Patient Status Code 30 (Still Patient) are present.											X	
6695.2	The CWF maintainer shall ensure that the newly created edit continues to reject DME claims received with a DOS beyond the Thru date of a 210 bill type that contains an Occurrence Code 22 (Date Active Care Ended) and a Patient Status Code 30 (Still Patient) until such time as a SNF 210 discharge bill is received from the same provider at which point the edit will not reject DME claims where the DOS is equal to or beyond the Thru date on the SNF 210 discharge bill.											X	
6695.3	CWF shall create an override capability for the new reject code for DME specified in 6695.1.											X	
6695.3.1	Contractors shall use the override capability above only as specified by CMS.		X										
6695.4	CWF shall create an Informational Unsolicited Response (IUR) when the From and Thru date range on an incoming SNF 210 bill type that contains an Occurrence Code 22 (Date Active Care Ended) and a Patient Status Code 30 (Still Patient) overlaps the DOS on a previously processed DME claim containing the HCPCS codes found in the attached list.											X	
6695.5	CWF shall create an Informational Unsolicited Response (IUR) when the From date and up to but not including the Thru date range on an incoming SNF 210 bill type that does not contain a Patient Status Code 30 (Still Patient) overlaps the DOS on a previously processed DME claim containing the HCPCS codes found in the attached list.											X	
6695.6	CWF shall forward the IURs specified in 6695.4 and 6695.5 to the DME MACs for processing.											X	
6695.6.1	Contractors shall process the IURs generated by CWF (as specified in 6695.4 and 6695.5).		X								X		
6695.6.1.1	Contractors shall use the following remittance advice and MSN messages to deny claims for DME when the		X								X		

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				OTHER
							F I S S	M C S	V M S	C W F	
	contractor receives a reject code from CWF indicating that the DME was furnished during a period when the beneficiary was a SNF resident: Reason Code 96 - Non covered charge(s) Remark Code M18 - Certain Services may be approved for home use. Neither a hospital nor a Skilled Nursing Facility (SNF) is considered to be a patient's home Group Code PR – Patient Responsibility MSN Message 13.9 – Medicare Part B does not pay for this item or service since our records show that you were in a skilled nursing facility on this date.										

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				OTHER
							F I S S	M C S	V M S	C W F	
N/A											

IV. SUPPORTING INFORMATION

Section A:

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
N/A	

Section B: N/A

V. CONTACTS

Pre-Implementation Contact(s): Eric Coulson at (410) 786-3352 or eric.coulson@cms.hhs.gov.

Post-Implementation Contact(s): Susan Webster at (410) 786-3384 or susan.webster@cms.hhs.gov

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs)*, *Regional Home Health Intermediaries (RHHIs)*, and/or *Carriers*:

No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

Section B: 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.

List of DME and DME Supply HCPCS Codes

A4221	E0305	E1020	E2502
A4222	E0310	E1028	E2504
A4230	E0316	E1029	E2506
A4231	E0325	E1030	E2508
A4232	E0326	E1031	E2510
A4233	E0328	E1035	E2511
A4234	E0329	E1037	E2512
A4235	E0350	E1038	E2599
A4236	E0352	E1039	E2601
A4253	E0370	E1050	E2602
A4255	E0371	E1060	E2603
A4256	E0372	E1070	E2604
A4257	E0373	E1083	E2605
A4258	E0424	E1084	E2606
A4259	E0431	E1085	E2607
A4265	E0434	E1086	E2608
A4556	E0439	E1087	E2609
A4557	E0441	E1088	E2610
A4558	E0442	E1089	E2611
A4559	E0443	E1090	E2612
A4595	E0444	E1091	E2613
A4600	E0450	E1092	E2614
A4601	E0455	E1093	E2615
A4604	E0457	E1100	E2616
A4605	E0459	E1110	E2617
A4608	E0460	E1130	E2619
A4611	E0461	E1140	E2620
A4612	E0462	E1150	E2621
A4613	E0463	E1160	K0001
A4614	E0464	E1161	K0002
A4615	E0470	E1170	K0003
A4616	E0471	E1171	K0004
A4617	E0472	E1172	K0005
A4618	E0480	E1180	K0006
A4619	E0481	E1190	K0007
A4620	E0482	E1195	K0009
A4624	E0483	E1200	K0010
A4627	E0484	E1220	K0011
A4628	E0485	E1221	K0012
A4630	E0486	E1222	K0014
A4633	E0500	E1223	K0015
A4634	E0550	E1224	K0017
A4635	E0555	E1225	K0018
A4636	E0560	E1226	K0019
A4637	E0561	E1227	K0020

A4638	E0562	E1228	K0037
A4639	E0565	E1229	K0038
A4640	E0570	E1230	K0039
A6000	E0571	E1231	K0040
A6550	E0572	E1232	K0041
A7000	E0574	E1233	K0042
A7001	E0575	E1234	K0043
A7002	E0580	E1235	K0044
A7003	E0585	E1236	K0045
A7004	E0600	E1237	K0046
A7005	E0601	E1238	K0047
A7006	E0602	E1239	K0050
A7007	E0605	E1240	K0051
A7008	E0606	E1250	K0052
A7009	E0607	E1260	K0053
A7010	E0610	E1270	K0056
A7011	E0615	E1280	K0065
A7012	E0616	E1285	K0069
A7013	E0617	E1290	K0070
A7014	E0618	E1295	K0071
A7015	E0619	E1296	K0072
A7016	E0620	E1297	K0073
A7017	E0621	E1298	K0077
A7018	E0627	E1310	K0098
A7025	E0628	E1353	K0105
A7026	E0629	E1355	K0108
A7027	E0630	E1372	K0195
A7028	E0635	E1390	K0455
A7029	E0636	E1391	K0462
A7030	E0637	E1392	K0552
A7031	E0638	E1399	K0601
A7032	E0639	E1405	K0602
A7033	E0640	E1406	K0603
A7034	E0641	E1700	K0604
A7035	E0642	E1701	K0605
A7036	E0650	E1702	K0606
A7037	E0651	E1800	K0607
A7038	E0652	E1801	K0608
A7039	E0655	E1802	K0609
A7044	E0656	E1805	K0669
A7045	E0657	E1806	K0730
A7046	E0660	E1810	K0733
A8000	E0665	E1811	K0734
A8001	E0666	E1812	K0735
A8002	E0667	E1815	K0736
A8003	E0668	E1816	K0737
A8004	E0669	E1818	K0738

A9279	E0671	E1820	K0800
A9900	E0672	E1821	K0801
A9901	E0673	E1825	K0802
A9999	E0675	E1830	K0806
E0100	E0676	E1840	K0807
E0105	E0691	E1841	K0808
E0110	E0692	E1902	K0812
E0111	E0693	E2000	K0813
E0112	E0694	E2100	K0814
E0113	E0705	E2101	K0815
E0114	E0720	E2120	K0816
E0116	E0730	E2201	K0820
E0117	E0731	E2202	K0821
E0118	E0740	E2203	K0822
E0130	E0744	E2204	K0823
E0135	E0745	E2205	K0824
E0140	E0747	E2206	K0825
E0141	E0748	E2207	K0826
E0143	E0749	E2208	K0827
E0144	E0760	E2209	K0828
E0147	E0762	E2210	K0829
E0148	E0764	E2211	K0830
E0149	E0765	E2212	K0831
E0153	E0769	E2213	K0835
E0154	E0776	E2214	K0836
E0155	E0779	E2215	K0837
E0156	E0780	E2216	K0838
E0157	E0781	E2217	K0839
E0158	E0782	E2218	K0840
E0159	E0783	E2219	K0841
E0160	E0784	E2220	K0842
E0161	E0785	E2221	K0843
E0162	E0786	E2222	K0848
E0163	E0791	E2223	K0849
E0165	E0830	E2224	K0850
E0167	E0840	E2225	K0851
E0168	E0849	E2226	K0852
E0170	E0850	E2227	K0853
E0171	E0855	E2228	K0854
E0172	E0856	E2231	K0855
E0175	E0860	E2291	K0856
E0181	E0870	E2292	K0857
E0182	E0880	E2293	K0858
E0184	E0890	E2294	K0859
E0185	E0900	E2295	K0860
E0186	E0910	E2300	K0861
E0187	E0911	E2301	K0862

E0188	E0912	E2310	K0863
E0189	E0920	E2311	K0864
E0190	E0930	E2312	K0868
E0191	E0935	E2313	K0869
E0193	E0936	E2321	K0870
E0194	E0940	E2322	K0871
E0196	E0941	E2323	K0877
E0197	E0942	E2324	K0878
E0198	E0944	E2325	K0879
E0199	E0945	E2326	K0880
E0200	E0946	E2327	K0884
E0202	E0947	E2328	K0885
E0205	E0948	E2329	K0886
E0210	E0950	E2330	K0890
E0215	E0951	E2331	K0891
E0217	E0952	E2340	K0898
E0218	E0955	E2341	K0899
E0220	E0956	E2342	L3964
E0221	E0957	E2343	L3965
E0225	E0958	E2351	L3966
E0230	E0959	E2360	L3968
E0231	E0960	E2361	L3969
E0232	E0961	E2362	L3970
E0235	E0966	E2363	L3972
E0236	E0967	E2364	L3974
E0238	E0968	E2365	
E0239	E0969	E2366	
E0240	E0970	E2367	
E0247	E0971	E2368	
E0248	E0973	E2369	
E0249	E0974	E2370	
E0250	E0978	E2371	
E0251	E0980	E2372	
E0255	E0981	E2373	
E0256	E0982	E2374	
E0260	E0983	E2375	
E0261	E0984	E2376	
E0265	E0985	E2377	
E0266	E0986	E2381	
E0271	E0990	E2382	
E0272	E0992	E2383	
E0275	E0994	E2384	
E0276	E0995	E2385	
E0277	E1002	E2386	
E0280	E1003	E2387	
E0290	E1004	E2388	
E0291	E1005	E2389	

E0292	E1006	E2390
E0293	E1007	E2391
E0294	E1008	E2392
E0295	E1009	E2393
E0296	E1010	E2394
E0297	E1011	E2395
E0300	E1014	E2396
E0301	E1015	E2397
E0302	E1016	E2399
E0303	E1017	E2402
E0304	E1018	E2500