CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 973	Date: October 27, 2011
	Change Request 7625

SUBJECT: Revisions to Common Working File (CWF) Edits that Deny Claims for Prosthetics, Orthotics, and Supplies (POS) Furnished to Beneficiaries in a Skilled Nursing Facility (SNF) Stay

I. SUMMARY OF CHANGES: This CR revises the editing that disallows separate payment for certain POS items when the beneficiary is in a non-covered Part A SNF stay.

EFFECTIVE DATE: April 1, 2012

IMPLEMENTATION DATE: April 2, 2012

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

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE					
N/A						

III. FUNDING:

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.

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: 973 Date: October 27, 2011 Change Request: 7625

SUBJECT: Revisions to Common Working File (CWF) Edits that Deny Claims for Prosthetics, Orthotics, and Supplies (POS) Furnished to Beneficiaries in a Skilled Nursing Facility (SNF) Stay

Effective Date: April 1, 2012

Implementation Date: April 2, 2012

I. GENERAL INFORMATION

A. Background: Change Request (CR) 6695 contained instructions for the CWF to create a new edit (729K) to reject incoming claims for durable medical equipment (DME) provided to Medicare beneficiaries during noncovered stays in a skilled nursing facility (SNF). CR 7164 revised the coding associated with the 729K edit as it was determined that the edit was overly broad and had resulted in inappropriate denials of DMEPOS claims. Since implementing the changes to edit 729K, CMS has learned that there continue to be inappropriate denials of claims for IV poles [Healthcare Common Procedure Coding System (HCPCS) code E0776], which are considered parenteral/enteral nutrition (PEN) supplies when billed with modifier 'BA' or 'KE' for beneficiaries who are in a non-covered SNF stay. PEN supplies are separately payable if provided during a non-covered SNF stay. (See Pub. 100-04, chapter 20, §160.2) It has also come to CMS' attention that other prosthetic, orthotic, and supply (POS) items are being inappropriately denied by the DA02 edit when the beneficiary is determined to be in a non-covered SNF stay.

B. Policy: This CR revises the editing that disallows separate payment for certain POS items when the beneficiary is in a non-covered SNF stay.

II. BUSINESS REQUIREMENTS TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A	D	F	С		<u> </u>	Shai	red-		ОТН
		/	M	I	A	Н	I System		ER		
		В	E		R		Maintainers				
					R	I	F	M	V	C	
		M	M		I		I	C	M		
		A	A		E		S	S	S	F	
		C	C		R		S				
7625.1	CWF shall revise edit DA02 to determine whether the									X	
	beneficiary's Part A benefits have been exhausted.										
7625.1.1	CWF shall ensure that programming for the DA02 edit is									X	
	updated as necessary to ensure that any items newly										
	identified as customized prosthetic devices by Medicare										
	policy are not subjected to the DA02 edit.										
7625.2	CWF shall note that for the purpose of the requirements									X	
	below, POS items consist of HCPCS codes in the										
	following major categories:										
	• 03 – Prosthetics/Orthotics										
	• 09 – PEN Enteral Nutrients										

Number						each					
		applicable column)									
	ADFCI					R Shared-					OTH
		/	M	Ι	A H System				ER		
		В	Е		R	H Maintainers		ers			
					R	Ι	F	M		С	
		M	M		Ι	_	I	C		W	
		A	A		E		S	S	S	F	
		C	C		R		S	3	3	1,	
	• 10 – PEN Pumps						~				
	• 15 – PEN Supplies and Kits										
	• 20 – PEN Parenteral Nutrients										
7625.2.1	CWF shall note that HCPCS code E0776 is also									X	
7023.2.1	considered a POS item only when billed with modifiers									7 1	
	'BA' or 'KE'. This does not apply to any other HCPCS at										
	this time.										
7625.2.2	When updates are made to the major categories referenced									X	
	above to add or remove HCPCS codes, CWF shall update										
	the edits referenced in the requirements below										
	accordingly.										
7625.3	CWF shall revise the edit created by 6695.1 and revised									X	
7023.3	by 7164.1 (and any other applicable edits) to allow									21	
	HCPCS code E0776 when billed with modifier 'BA' or										
	'KE', the FROM date of service on the POS claim										
	overlaps the FROM and THROUGH dates of service on a										
	±										
	SNF claim, and the beneficiary is in a non-covered SNF										
7625.4	stay.									V	
7625.4	CWF shall revise any and all applicable edits to allow any									X	
	POS item when the FROM date of service on the POS										
	claim overlaps the FROM and THROUGH dates of										
	service on a SNF claim and the beneficiary is in a non-										
7.05.5	covered SNF stay.									37	
7625.5	CWF shall revise any and all applicable edits to allow									X	
	POS items when the FROM date of service on the POS										
	claim is equal to the THROUGH date of service on an										
	inpatient hospital claim (type of bill 11X) containing										
	patient status code '03' and the beneficiary is either in a										
	non-covered stay OR there is no subsequent SNF claim on										
	file at the time of adjudication.										
7625.6	CWF shall revise any and all applicable edits to allow									X	
	POS items when the FROM date of service on the POS										
	claim is equal to the THROUGH date of service on a SNF										
	claim (type of bill 21X) containing patient status code										
	'30' and the beneficiary is in a non-covered stay.										

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each								
		applicable column)								
		A/B	D	F	C	R	Shared-		OTHER	
			M	I	A	Н	Sys	System		
		MAC	Е		R	Н	Maintainer			
					R	I	S			
			M		I		F M	V	С	
			A		Е		I C	M	W	
			C		R		SS	S	F	
							S			
	None.		•							

IV. SUPPORTING INFORMATION

Section A: For any recommendations and supporting information associated with listed requirements, use the box below: N/A

X-Ref	Recommendations or other supporting information:
Requirement	
Number	
All	CRs 6695, 7164 and related TDLs.

Section B: For all other recommendations and supporting information, use this space: N/A

V. CONTACTS

Pre-Implementation Contact(s): Felicia Rowe at <u>felicia.rowe@cms.hhs.gov</u>

Post-Implementation Contact(s): Contact your Contracting Officer's Technical Representative (COTR) or Contractor Manager, as applicable.

VI. FUNDING

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

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