MLN Matters
Information for Medicare Fee-for-Service Health Care Professionals

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Indian Health Service (IHS) or Tribal Hospitals Including Critical Access Hospitals (CAHs) Payment Methodology for Inpatient Social Admissions and Outpatient Services Rendered at a Separate Facility

Note: This article was revised to contain Web addresses that conform to the new CMS web site and to show they are now MLN Matters articles. All other information remains the same.

Provider Types Affected

IHS or Tribal Hospitals, including CAHs

Provider Action Needed

This instruction clarifies the IHS or Tribal Hospitals', including CAHs, payment methodology for social admissions and outpatient services rendered at separate facilities.

Background

IHS or Tribal Hospitals (including CAHs) often submit a Type of Bill (TOB) 12X for social admissions. This TOB is denied by the designated fiscal intermediary (FI) if a separate facility subsequently bills TOB 13X for outpatient services or TOB 72X for dialysis services rendered during a social admission at an IHS/Tribal/CAH Hospital.

It should be noted that:

- There may be situations when a beneficiary is admitted to an IHS/Tribal facility for social reasons. If these social admissions are for patient and family convenience, they are not billable to Medicare.
- Social admission stays do not qualify for any payment on either an 11X or 12X TOB.
- For admissions before surgery, only the scheduled surgery and related services may be:
    - Billed on a 83X TOB, if the surgery is performed on an outpatient basis; and

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  - Billed on an 11X TOB, if the surgery is performed on an inpatient basis.
- Social admissions occurring after an inpatient discharge may not be billed to Medicare.
- For patients in a social admission status requiring outpatient services at another facility, the 12X TOB, if submitted, will be rejected by Medicare's FI.
- A duplicate payment would be created if a 12X TOB from the admitting facility occurred with 1) a 13X TOB from another hospital, or 2) a 72X TOB from a Renal Dialysis Facility. This is inappropriate.

Because there is a significant number of social admissions in IHS/Tribal facilities, Medicare has decided to disallow payment for inpatient Part B services during a social admission stay when there is another bill from a different facility for an outpatient service.

The following represents the Centers for Medicare & Medicaid Services (CMS) policy:

- When a 12X TOB from an IHS/ Tribal facility (including CAHs) covers the same time period as 1) a 13X TOB received from another hospital, or 2) a 72X TOB received from a Renal Dialysis Facility:
  - The 12X TOB is presumed to represent a social admission and is disallowed; and
  - The 13X TOB/ 72X TOB will be paid.
- A social admission stay does not qualify for any payment for the TOBs 11X or 12X.
- A social admission cannot be used to satisfy the three-day prior stay for Skilled Nursing Facilities.

Implementation

The implementation date for this instruction is April 4, 2005.

Related Instructions

The official instruction issued to your FI may be viewed at *http://www.cms.hhs.gov/Transmittals/downloads/R596CP.pdf* on the CMS website.

Additional Information

If you have any questions, please contact your FI at their toll-free number, which may be found at *http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip* on the CMS website.

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