

Related Change Request (CR) #: 4058

MLN Matters Number: MM4058

Related CR Release Date: November 4, 2005

Related CR Transmittal #: 741

Effective Date: April 1, 2006

Implementation Date: April 3, 2006

New Condition Codes 49 and 50

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

Provider Types Affected

Providers who bill fiscal intermediaries (FIs) or regional home health intermediaries (RHHIs)

Provider Action Needed



STOP – Impact to You

These new condition codes are to be used to describe an item that is provided without cost because it is under warranty, replaced, recalled, or was defective.



CAUTION – What You Need to Know

The Centers for Medicare & Medicaid Services (CMS) intends to use these codes for tracking purposes initially as they need to be able to track replacements given to Medicare beneficiaries.



GO – What You Need to Do

Use the new codes in Form Locator 24-30 field on claims as follows:

Code 49: Product Replacement within Product Lifecycle—Replacement of product earlier than the anticipated lifecycle due to an indication that the product is not functioning properly—warranty.

Code 50: Product Replacement for Known Recall of a Product—Manufacturer or Food and Drug Administration (FDA) has identified the product for recall and therefore replacement.

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Background

CMS requested and received new Condition Codes from the National Uniform Billing Committee to describe situations when a provider receives a product without cost. This could happen because the item was recalled for any of the reasons mentioned above, and it is important for CMS to track recall/replacement items.

Implementation

The implementation date for this instruction is April 3, 2006.

Additional Information

The official instructions issued to the intermediary/RHHI regarding this change can be found at <http://www.cms.hhs.gov/Transmittals/downloads/R741CP.pdf> on the CMS website.

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

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